FINAL EDITION

GOVERNMENT OF MADRAS

FINANCE DEPARTMENT

# BUDGET MEMORANDUM

# 1941-1942

MADRAS
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# BUDGET MEMORANDUM, 1941-1942

Note.—Except where otherwise stated amounts are expressed in lakhs of rupees to two places of decimals.

## PART I.

SUMMARY OF THE FINANCIAL POSITION FROM 1939–1940 (ACCOUNTS) TO 1941–1942 (BUDGET).

## A. STATEMENT OF THE REVENUE AND

**Revenue.**

| Major head. (1) | Accounts, 1939–1940. (2) | Budget, Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **A. Principal Heads of Revenue.** | | | | |
| IV. Taxes on Income other than Corporation Tax .. .. | 41·85 | 40·00 | 58·65 | 63·75 |
| VII. Land Revenue— | | | | |
| Gross Receipts .. .. | 7,26·55 | 7,25·94 | 7,33·41 | 7,37·51 |
| *Deduct*—Portion of Land Revenue due to Irrigation .. .. | —2,09·68 | —2,27·11 | —2,22·92 | —2,24·01 |
| Net Receipts .. .. | 5,16·87 | 4,98·83 | 5,10·49 | 5,13·50 |
| VIII. Provincial Excise .. .. | 3,36·03 | 3,21·46 | 3,39·78 | 3,45·49 |
| IX. Stamps .. .. .. .. | 1,74·26 | 1,73·08 | 1,81·97 | 1,82·39 |
| X. Forest .. .. .. | 44·83 | 45·08 | 47·19 | 42·00 |
| XI. Registration .. .. | 32·96 | 33·14 | 37·69 | 37·92 |
| XII. Receipts under Motor Vehicles Acts .. .. | 80·50 | 82·65 | 79·09 | 79·09 |
| XIII. Other Taxes and Duties .. | 79·28 | 87·46 | 1,27·20 | 1,18·97 |
| **C. Irrigation, Navigation, Embankment and Drainage Works.** | | | | |
| XVII. Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept— | | | | |
| Direct Receipts .. | 6·15 | 6·27 | 6·60 | 6·36 |
| Portion of Land Revenue due to Works. | 1,33·50 | 1,45·87 | 1,42·10 | 1,42·40 |
| Total—Gross Receipts .. | 1,39·65 | 1,52·14 | 1,48·70 | 1,48·76 |
| *Deduct*—Working Expenses. | —39·18 | —41·51 | —40·07 | —36·81 |
| Net Receipts .. .. | 1,00·47 | 1,10·63 | 1,08·63 | 1,11·95 |
| XVIII. Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept— | | | | |
| Direct Receipts .. | 2·14 | 1·94 | 1·89 | 1·83 |
| Portion of Land Revenue due to Works .. | 76·18 | 81·24 | 80·82 | 81·61 |
| Total .. | 78·32 | 83·18 | 82·71 | 83·44 |
| **E. Debt Services.** | | | | |
| XX. Interest .. .. .. | 23·35 | 22·69 | 24·36 | 24·33 |
| **F. Civil Administration.** | | | | |
| XXI. Administration of Justice .. | 17·65 | 16·85 | 17·81 | 17·75 |
| XXII. Jails and Convict Settlements .. .. .. | 6·33 | 5·75 | 6·33 | 6·31 |
| XXIII. Police .. .. .. .. | 8·10 | 6·18 | 7·51 | 6·79 |
| Carried over .. | 15,40·80 | 15,26·98 | 16,29·41 | 16,33·68 |

OF THE EXPENDITURE ON REVENUE ACCOUNT.

**Expenditure.**

| Major head. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **A. Direct Demands on the Revenue.** | | | | |
| 7. LAND REVENUE .. .. .. | 23·79 | 23·99 | 24·05 | 21·87 |
| 8. PROVINCIAL EXCISE .. .. | 30·29 | 29·59 | 28·35 | 28·59 |
| 9. STAMPS .. .. .. .. | 4·69 | 4·76 | 5·10 | 5·09 |
| 10. FOREST .. .. .. .. | 38·71 | 37·28 | 37·83 | 37·19 |
| 11. REGISTRATION .. .. .. | 28·73 | 29·20 | 29·01 | 29·29 |
| 12. CHARGES ON ACCOUNT OF MOTOR VEHICLES ACTS .. .. .. | 74·87 | 74·46 | 70·36 | 71·61 |
| 13. OTHER TAXES AND DUTIES .. | 9·09 | 15·79 | 14·40 | 14·30 |
| **C. Revenue Account of Irrigation, Navigation, Embankment and Drainage Works.** | | | | |
| 17. INTEREST ON WORKS FOR WHICH CAPITAL ACCOUNTS ARE KEPT .. | 87·91 | 88·15 | 88·12 | 88·26 |
| 18. OTHER REVENUE EXPENDITURE FINANCED FROM ORDINARY REVENUES .. .. .. | 39·05 | 37·99 | 38·00 | 37·20 |
| 19. CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS .. .. | 1·30 | ·53 | ·68 | ·44 |
| **E. Debt Services.** | | | | |
| 22. INTEREST ON DEBT AND OTHER OBLIGATIONS .. .. .. | 66·40 | 71·56 | 69·45 | 67·74 |
| *Deduct*—INTEREST TRANSFERRED TO COMMERCIAL DEPARTMENTS, ETC. .. .. .. .. | — 1,11·80 | — 1,15·50 | — 1,14·93 | — 1,18·61 |
| NET AMOUNT MET OUT OF ORDINARY REVENUES .. .. | — 45·40 | — 43·94 | — 45·48 | — 50·87 |
| 23. APPROPRIATION FOR REDUCTION OR AVOIDANCE OF DEBT .. .. | 6·74 | 8·72 | 20·56 | 24·09 |
| **F. Civil Administration.** | | | | |
| 25. GENERAL ADMINISTRATION .. | 2,75·30 | 2,79·48 | 2,70·78 | 2,78·81 |
| 27. ADMINISTRATION OF JUSTICE .. | 88·44 | 91·83 | 88·27 | 90·88 |
| 28. JAILS AND CONVICT SETTLEMENTS .. | 24·76 | 23·90 | 27·51 | 28·31 |
| 29. POLICE .. .. .. .. | 1,63·25 | 1,62·82 | 1,69·52 | 1,70·72 |
| Carried over .. | 8,51·52 | 8,64·55 | 8,67·06 | 8,75·78 |

## A. STATEMENT OF THE REVENUE AND

**Revenue**—*cont.*

| Major head. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Brought forward .. | 15,40·80 | 15,26·98 | 16,29·41 | 16,33·68 |
| **F. Civil Administration**—*cont.* | | | | |
| XXIV. Ports and Pilotage .. | .. | .. | .. | .. |
| XXVI. Education .. .. .. | 9·28 | 7·82 | 9·21 | 8·48 |
| XXVII. Medical .. .. .. | 10·08 | 10·16 | 9·98 | 10·55 |
| XXVIII. Public Health .. .. | 2·60 | 2·69 | 2·64 | 2·76 |
| XXIX. Agriculture .. .. | 3·19 | 3·17 | 3·51 | 3·29 |
| XXX. Veterinary .. .. .. | 1·13 | 1·11 | 1·16 | 1·07 |
| XXXI. Co-operation .. .. | 3·89 | 4·03 | 4·21 | 4·12 |
| XXXII. Industries .. .. .. | 21·63 | 19·51 | 25·46 | 26·11 |
| XXXVI. Miscellaneous Departments. | 7·76 | 7·77 | 8·23 | 8·80 |
| **H. Civil Works and Miscellaneous Public Improvements.** | | | | |
| XXXIX. Civil Works .. .. | 30·96 | 34·57 | 35·08 | 40·59 |
| **I. Electricity Schemes.** | | | | |
| XLI. Receipts from Electricity Schemes—Gross Receipts. | 53·85 | 57·98 | 66·28 | 69·23 |
| *Deduct*—Working Expenses. | — 40·86 | — 22·17 | — 26·48 | — 24·74 |
| Net Receipts .. .. | 12·99 | 35·81 | 39·80 | 44·49 |
| **J. Miscellaneous.** | | | | |
| XLIV. Receipts in aid of superannuation .. .. | 2·72 | 2·64 | 2·41 | 2·33 |
| XLV. Stationery and Printing. | 4·26 | 4·24 | 5·53 | 3·83 |
| XLVI. Miscellaneous .. .. | 14·34 | 15·32 | 27·59 | 31·02 |
| L. Miscellaneous Adjustments between Central and Provincial Governments. | ·27 | ·30 | ·25 | ·25 |
| LI. Extraordinary Receipts. | .. | .. | .. | .. |
| LIIA. Transfer from Revenue Reserve Fund .. .. | .. | .. | .. | .. |
| **Grand Total—Revenue** .. | **16,65·90** | **16,76·12** | **18,04·47** | **18,21·37** |
| Excess of Revenue over Expenditure on Revenue Account or **Surplus** .. .. .. .. | **28·51** | **·82** | **4·81** | **12·75** |

OF THE EXPENDITURE ON REVENUE ACCOUNT—*cont.*

**Expenditure**—*cont.*

| Major head. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Brought forward .. | 8,51·52 | 8,64·55 | 8,67·06 | 8,75·78 |
| **F. Civil Administration**—*cont.* | | | | |
| 36. Scientific Departments .. .. | ·96 | ·96 | ·97 | ·91 |
| 37. Education .. .. .. .. | 2,63·57 | 2,73·10 | 2,82·53 | 2,86·62 |
| 38. Medical .. .. .. .. | 97·53 | 1,03·88 | 1,02·77 | 1,04·30 |
| 39. Public Health .. .. .. | 27·30 | 28·09 | 38·00 | 26·19 |
| 40. Agriculture .. .. .. | 19·81 | 20·80 | 20·70 | 22·46 |
| 41. Veterinary .. .. .. .. | 12·30 | 11·98 | 12·33 | 12·25 |
| 42. Co-operation .. .. .. | 14·25 | 14·89 | 14·83 | 15·21 |
| 43. Industries .. .. .. .. | 26·00 | 26·90 | 40·92 | 28·25 |
| 44. Aviation .. .. .. .. | .. | .. | ·10 | ·23 |
| 47. Miscellaneous Departments .. | 21·21 | 22·74 | 22·24 | 23·75 |
| **H. Civil Works and Miscellaneous Public Improvements.** | | | | |
| 50. Civil Works— Public Works Department .. | 53·64 | 53·02 | 53·30 | 61·51 |
| Grants-in-Aid .. .. .. | 68·82 | 75·44 | 81·74 | 97·94 |
| Total .. | 1,22·46 | 1,28·46 | 1,35·04 | 1,59·45 |
| **I. Electricity Schemes.** | | | | |
| 52. Interest on Capital Outlay on Electricity Schemes .. .. | 22·61 | 26·07 | 25·88 | 29·56 |
| 52a. Other Revenue Expenditure connected with Electricity Schemes .. .. .. .. | ·03 | ·32 | ·45 | ·19 |
| 53. Capital outlay on Electricity Schemes .. .. .. .. | . | .. | 30·00 | 45·00 |
| **J. Miscellaneous.** | | | | |
| 54. Famine .. .. .. .. | 17·65 | 6·00 | ·19 | 1·00 |
| 55. Superannuation Allowances and Pensions .. .. .. | 1,12·73 | 1,17·45 | 1,08·71 | 1,11·97 |
| 55a. Commutation of Pensions financed from Ordinary Revenues .. .. .. | .. | .. | 1·21 | 1·25 |
| 56. Stationery and Printing .. | 22·03 | 23·89 | 31·86 | 22·75 |
| 57. Miscellaneous .. .. .. | 5·43 | 5·22 | 8·73 | 5·50 |
| 63. Extraordinary Charges .. .. | .. | .. | .. | .. |
| 64a. Transfer to Revenue Reserve Fund .. .. .. .. | .. | .. | 55·14 | 36·00 |
| **Grand Total—Expenditure on Revenue Account** .. .. .. .. | **16,37·39** | **16,75·30** | **17,99·66** | **18,08·62** |
| Excess of Expenditure on Revenue Account over Revenue or **Deficit**. | .. | .. | .. | .. |

B. STATEMENT OF RECEIPTS

**Receipts.**

| Head of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Excess of Revenue over Expenditure .. .. .. .. .. | 28·51 | ·82 | 4·81 | 12·75 |
| **N. Public Debt Incurred.** | | | | |
| I. Permanent Debt .. .. .. | 1,50·00 | 1,00·00 | 69·52 | .. |
| II. Floating Debt— | | | | |
| Treasury Bills .. .. .. | 4,25·00 | 6,00·00 | 3,75·00 | 4,50·00 |
| Other Floating Loans .. | 4,21·00 | 5,00·00 | 2,70·00 | 4,00·00 |
| III. Loans from the Central Government .. .. .. | .. | .. | .. | .. |
| **Total ..** | **9,96·00** | **12,00·00** | **7,14·52** | **8,50·00** |
| **O. Unfunded Debt.** | | | | |
| State Provident Funds .. .. | 72·36 | 73·03 | 73·20 | 73·65 |
| **Total ..** | **72·36** | **73·03** | **73·20** | **73·65** |
| **P. Deposits and Advances.** | | | | |
| *I. Deposits Bearing Interest—* | | | | |
| Deposits of depreciation reserve of Government Commercial concerns .. .. | ·19 | ·19 | ·20 | ·21 |
| *II. Deposits Not Bearing Interest—* | | | | |
| *(A) Sinking Funds—* | | | | |
| Appropriation for Reduction or Avoidance of Debt— | | | | |
| Sinking Funds .. .. | 10·24 | 13·92 | 14·43 | 17·68 |
| Other Appropriations .. | — 3·50 | — 5·20 | 6·13 | 6·41 |
| Carried over .. | 6·93 | 8·91 | 20·76 | 24·30 |

AND DISBURSEMENTS.

**Disbursements.**

| Head of account. | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) |
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| EXCESS OF EXPENDITURE OVER REVENUE .. .. .. .. | .. | .. | .. | .. |
| CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT. | | | | |
| 68. CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS .. | 4·16 | 4·38 | 3·56 | 1·49 |
| 72. CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT .. | ·36 | ·19 | ·46 | ·90 |
| 81. CAPITAL ACCOUNT OF CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT .. | 14·97 | 13·05 | 12·91 | 15·81 |
| 81A. CAPITAL OUTLAY ON ELECTRICITY SCHEMES .. | 68·89 | 85·98 | 46·27 | 36·37 |
| 83. PAYMENTS OF COMMUTED VALUE OF PENSIONS .. | — 8·84 | — 10·18 | — 2·02 | .. |
| Total .. | **79·54** | **93·42** | **61·18** | **54·57** |
| **N. Public Debt discharged.** | | | | |
| I. PERMANENT DEBT .. .. | 6·11 | .. | 7·60 | 8·04 |
| II. FLOATING DEBT— TREASURY BILLS .. .. | 4,25·00 | 6,00·00 | 3,75·00 | 4,50·00 |
| OTHER FLOATING LOANS .. | 4,21·00 | 5,00·00 | 2,70·00 | 4,00·00 |
| III. LOANS FROM THE CENTRAL GOVERNMENT .. .. .. | 5·87 | 6·13 | 6·13 | 6·41 |
| Total .. | **8,57·98** | **11,06·13** | **6,58·73** | **8,64·45** |
| **O. Unfunded Debt.** | | | | |
| STATE PROVIDENT FUNDS .. .. | 52·84 | 57·10 | 60·28 | 61·70 |
| Total .. | **52·84** | **57·10** | **60·28** | **61·70** |
| **P. Deposits and Advances.** | | | | |
| *I. Deposits Bearing Interest—* DEPOSITS OF DEPRECIATION RESERVE OF GOVERNMENT COMMERCIAL CONCERNS .. | ·05 | ·03 | ·04 | ·07 |
| *II. Deposits Not Bearing Interest—* | | | | |
| *(A) Sinking Funds—* | | | | |
| APPROPRIATION FOR REDUCTION OR AVOIDANCE OF DEBT— | | | | |
| SINKING FUNDS .. .. | 6·02 | 6·98 | 7·40 | 8·02 |
| Carried over .. | 6·07 | 7·01 | 7·44 | 8·09 |

B. STATEMENT OF RECEIPTS

Receipts—*cont.*

| Head of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Brought forward .. | 6·93 | 8·91 | 20·76 | 24·30 |
| **P. Deposits and Advances**—*cont.* | | | | |
| *II. Deposits Not Bearing Interest*—cont. | | | | |
| (*B*) *Reserve Funds*— | | | | |
| Famine Relief Fund .. .. | 1·99 | 7·32 | 2·49 | 2·30 |
| General Police Fund .. .. | — ·79 | .. | .. | .. |
| Fund for the Development of Rural Water-supply .. | ·12 | .. | 10·00 | .. |
| Depreciation Reserve Fund—Electricity .. .. .. | 7·87 | 8·37 | 8·28 | 8·63 |
| Special Reserve Fund—Electricity .. .. .. | 3·14 | 3·35 | 3·31 | 3·45 |
| Depreciation Reserve Fund—Government Presses .. .. | 1·51 | 1·42 | 1·42 | 1·37 |
| Revenue Reserve Fund .. | .. | .. | 55·14 | 36·00 |
| (*C*) *Other Deposit Accounts*— | | | | |
| Deposits of Local Funds— | | | | |
| District Funds .. .. | 5,89·64 | 5,85·04 | 5,63·10 | 5,62·10 |
| Municipal and other Funds. | 2,80·25 | 2,87·80 | 2,62·51 | 2,68·81 |
| Departmental and Judicial Deposits— | | | | |
| Civil Deposits .. .. | 5,83·13 | 5,69·82 | 5,68·32 | 4,31·41 |
| Other Accounts— | | | | |
| Subventions from Central Road Fund .. .. .. | 7·46 | 18·92 | 22·81 | 30·19 |
| Deposit Account of Grants for Economic Development and Improvement of Rural Areas .. .. .. .. | 3·20 | 6·17 | 4·67 | 4·65 |
| Deposit Account of the Grant made by the Indian Central Cotton Committee. | ·18 | ·21 | ·20 | ·14 |
| Deposit Account of the Grant made by the Imperial Council of Agricultural Research .. .. .. | ·95 | ·97 | 1·08 | 1·08 |
| Deposit Account of Contributions for Cattle Improvement .. .. .. .. | .. | ·02 | .. | .. |
| Carried over .. | 14,85·58 | 14,98·32 | 15,24·09 | 13,74·43 |

AND DISBURSEMENTS—*cont.*

**Disbursements**—*cont.*

| Head of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Brought forward .. | 6·07 | 7·01 | 7·44 | 8·09 |
| **P. Deposits and Advances**—*cont.* | | | | |
| *II. Deposits Not Bearing Interest*—cont. | | | | |
| (*B*) *Reserve Funds*— | | | | |
| Famine Relief Fund .. .. | 10·70 | 9·00 | ·09 | 5·00 |
| General Police Fund .. .. | .. | .. | .. | .. |
| Fund for the Development of Rural Water-supply .. | 4·19 | 5·00 | 5·00 | 6·50 |
| Depreciation Reserve Fund—Electricity .. .. .. | 2·72 | 7·77 | 7·90 | 8·59 |
| Special Reserve Fund—Electricity .. .. .. | ·85 | 3·10 | 3·46 | 3·31 |
| Depreciation Reserve Fund—Government Presses .. | 1·36 | ·50 | ·60 | ·50 |
| Revenue Reserve Fund .. | .. | .. | .. | .. |
| (*C*) *Other Deposit Accounts*— | | | | |
| Deposits of Local Funds— | | | | |
| District Funds .. .. | 5,78·16 | 5,90·04 | 5,73·10 | 5,63·10 |
| Municipal and other Funds .. | 3,07·56 | 2,93·80 | 2,70·13 | 2,75·66 |
| Departmental and Judicial Deposits— | | | | |
| Civil Deposits .. .. .. | 5,92·36 | 5,72·97 | 5,53·93 | 4,41·30 |
| Other Accounts— | | | | |
| Subventions from Central Road Fund .. .. .. | 21·49 | 24·80 | 24·77 | 30·19 |
| Deposit Account of Grants for Economic Development and Improvement of Rural Areas .. .. .. | 3·83 | 6·46 | 5·12 | 5·78 |
| Deposit Account of the Grant made by the Indian Central Cotton Committee .. .. | ·19 | ·21 | ·21 | ·14 |
| Deposit Account of the Grant made by the Imperial Council of Agricultural Research .. .. .. | ·98 | ·97 | 1·20 | 1·09 |
| Deposit Account of Contributions for Cattle Improvement .. .. .. .. | ·01 | ·02 | ·02 | .. |
| Carried over .. | 15,30·47 | 15,21·65 | 14,52·97 | 13,49·25 |

B. STATEMENT OF RECEIPTS

Receipts—*cont.*

| Head of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Brought forward .. | 14,85·58 | 14,98·32 | 15,24·09 | 13,74·43 |
| **P. Deposits and Advances**—*cont.* | | | | |
| *II. Deposits Not Bearing Interest*—cont. | | | | |
| (*C*) *Other Deposit Accounts*—cont. | | | | |
| OTHER ACCOUNTS—*cont.* | | | | |
| DEPOSIT ACCOUNT OF GRANT FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF SERICULTURAL INDUSTRY. | ·23 | ·23 | ·22 | ·34 |
| DEPOSIT ACCOUNT OF GRANTS FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF HANDLOOM INDUSTRY .. | ·71 | ·69 | ·96 | ·69 |
| DEPOSIT ACCOUNT OF GRANTS FROM THE SUGAR EXCISE FUND .. .. .. .. | ·31 | ·27 | ·10 | ·26 |
| *III. Advances Not Bearing Interest*— | | | | |
| ADVANCES REPAYABLE .. .. | 33·69 | 35·32 | 38·05 | 34·51 |
| PERMANENT ADVANCES .. .. | ·16 | ·25 | ·10 | ·10 |
| ACCOUNTS WITH THE RESERVE BANK.. | 1·97 | 2·85 | 1·30 | ·30 |
| *IV. Suspense*— | | | | |
| CASH BALANCE INVESTMENT ACCOUNT .. .. .. .. | 1,73·88 | 65·00 | 3,69·00 | 4,00·00 |
| OTHER SUSPENSE ACCOUNTS .. | 11·94 | 9·34 | 15·04 | 12·04 |
| CHEQUES AND BILLS .. .. .. | 2,84·56 | 3,03·25 | 3,09·00 | 3,09·00 |
| DEPARTMENTAL AND SIMILAR ACCOUNTS .. .. .. .. | 1·22 | ·57 | 1·38 | ·70 |
| *V. Miscellaneous*— | | | | |
| MISCELLANEOUS GOVERNMENT ACCOUNT .. .. .. .. | 6·11 | .. | 7·60 | 8·04 |
| **Total** .. | **20,00·36** | **19,16·09** | **22,66·84** | **21,40·41** |
| **R. Loans and Advances by the Provincial Government.** | | | | |
| LOANS TO MUNICIPALITIES, PORT FUNDS, CULTIVATORS, ETC.— | | | | |
| SHORT-TERM LOANS TO MADRAS CO-OPERATIVE CENTRAL LAND MORTGAGE BANK .. .. .. .. | 32·38 | 45·07 | 51·65 | 50·00 |
| OTHER LOANS .. .. .. .. | 35·62 | 37·77 | 40·25 | 41·65 |
| LOANS TO GOVERNMENT SERVANTS .. | 1·09 | ·64 | ·62 | ·36 |
| **Total** .. | **69·09** | **83·48** | **92·52** | **92·01** |

AND DISBURSEMENTS—*cont.*

**Disbursements**—*cont.*

| Head of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| Brought forward .. | 15,30·47 | 15,21·65 | 14,52·97 | 13,49·25 |
| **P. Deposits and Advances**—*cont.* | | | | |
| *II. Deposits Not Bearing Interest*—cont. | | | | |
| (*C*) *Other Deposit Accounts*—cont. | | | | |
| OTHER ACCOUNTS—*cont.* | | | | |
| DEPOSIT ACCOUNT OF GRANT FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF SERICULTURAL INDUSTRY .. .. | ·18 | ·28 | ·27 | ·35 |
| DEPOSIT ACCOUNT OF GRANTS FROM THE CENTRAL GOVERNMENT FOR THE DEVELOPMENT OF HANDLOOM INDUSTRY .. | ·83 | ·99 | 1·19 | ·96 |
| DEPOSIT ACCOUNT OF GRANTS FROM THE SUGAR EXCISE FUND. | ·22 | ·25 | ·24 | ·30 |
| *III. Advances Not Bearing Interest*— | | | | |
| ADVANCES REPAYABLE .. .. | 33·23 | 34·96 | 38·04 | 34·49 |
| PERMANENT ADVANCES .. .. | ·37 | ·15 | ·10 | ·10 |
| ACCOUNTS WITH THE RESERVE BANK. | 2·09 | 2·90 | 1·00 | ·35 |
| *IV. Suspense*— | | | | |
| CASH BALANCE INVESTMENT ACCOUNT .. .. .. .. | 1,54·56 | 50·00 | 5,14·00 | 3,55·00 |
| OTHER SUSPENSE ACCOUNTS .. | 8·93 | 9·39 | 17·54 | 12·04 |
| CHEQUES AND BILLS .. .. .. | 2,79·95 | 3,03·25 | 3,13·50 | 3,09·00 |
| DEPARTMENTAL AND SIMILAR ACCOUNTS .. .. .. .. | 1·07 | ·62 | 1·23 | ·80 |
| *V. Miscellaneous*— | | | | |
| MISCELLANEOUS GOVERNMENT ACCOUNT .. .. .. .. | .. | .. | 12·33 | 15·13 |
| **Total** .. | **20,11·90** | **19,24·44** | **23,52·41** | **20,77·77** |
| **R. Loans and Advances by the Provincial Government.** | | | | |
| LOANS TO MUNICIPALITIES, PORT FUNDS, CULTIVATORS, ETC.— | | | | |
| SHORT-TERM LOANS TO MADRAS CO-OPERATIVE CENTRAL LAND MORTGAGE BANK .. .. .. .. | 43·60 | 45·00 | 51·65 | 50·00 |
| OTHER LOANS .. .. .. .. | 60·25 | 54·55 | 36·99 | 50·97 |
| LOANS TO GOVERNMENT SERVANTS .. | ·56 | ·57 | ·50 | ·47 |
| **Total** .. | **1,04·41** | **1,00·12** | **89·14** | **1,01·44** |

Receipts—*cont.*

| ..ad of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **S. Remittances.** | | | | |
| CASH REMITTANCES AND ADJUSTMENTS BETWEEN OFFICERS RENDERING ACCOUNTS TO THE SAME ACCOUNTANT-GENERAL OR COMPTROLLER .. .. | 24,19·76 | 23,92·70 | 25,27·70 | 25,32·70 |
| REMITTANCES BY BILLS .. .. | 80·47 | 73·00 | 52·70 | .. |
| ADJUSTING ACCOUNT BETWEEN CENTRAL AND PROVINCIAL GOVERNMENTS. | 1·29 | .. | — 1·19 | — ·10 |
| INTER-PROVINCIAL SUSPENSE ACCOUNT. | — ·04 | .. | .. | .. |
| **Total** .. | **25,01·48** | **24,65·70** | **25,79·21** | **25,32·60** |
| **Total—Receipts** .. | **56,67·80** | **57,39·12** | **57,31·10** | **57,01·42** |
| **V. Opening Cash Balance** .. | **76·61** | **69·58** | **1,34·48** | **58·42** |
| **GRAND TOTAL** .. | **57,44·41** | **58,08·70** | **58,65·58** | **57,59·84** |

AND DISBURSEMENTS—*cont.*

**Disbursements—*cont.***

| Head of account. (1) | Accounts, 1939–1940. (2) | Budget Estimate, 1940–1941. (3) | Revised Estimate, 1940–1941. (4) | Budget Estimate, 1941–1942. (5) |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **S. Remittances.** | | | | |
| Cash Remittances and adjustments between officers rendering accounts to the same Accountant-General or Comptroller .. .. | 24,23·83 | 23,92·70 | 25,29·70 | 25,32·70 |
| Remittances by Bills .. .. | 80·58 | 73·00 | 54·62 | .. |
| Adjusting Account between Central and Provincial Governments. | — 1·15 | .. | 1·10 | — ·05 |
| Inter-Provincial Suspense Account. | .. | .. | .. | .. |
| **Total** .. | **25,03·26** | **24,65·70** | **25,85·42** | **25,32·65** |
| **Total—Disbursements** .. | **56,09·93** | **57,46·91** | **58,07·16** | **56,92·58** |
| **V. Closing Cash Balance** .. | **1,34·48** | **61·79** | **58·42** | **67·26** |
| **GRAND TOTAL** .. | **57,44·41** | **58,08·70** | **58,65·58** | **57,59·84** |

# PART II.

## INTRODUCTORY.

# PART II.

## INTRODUCTORY.

### A. General review of the finances of the Province of Madras from 1920–1921 to 1936–1937.

**Brief retrospect.**

The financial arrangements as between the Central and Provincial Governments prescribed in the Devolution Rules issued under section 45A of the Government of India Act, 1919, came into operation from the 1st April 1921. Provision was made for a maximum annual contribution of 348 lakhs of rupees from the Madras Government to the Central Government. This contribution was paid in full during the years 1921–1922 to 1924–1925, was reduced to 221·98 lakhs in 1925–1926 and to 165·19 lakhs in 1926–1927, and was wholly abolished from 1927–1928.

The revenues assigned to the Madras Government became gradually more productive after 1921–1922, until they reached their highest point in 1929–1930. After that they fell to a lower level as a result mainly of the world economic depression and the transfer of certain areas to the new Province of Orissa from the 1st April 1936.

Expenditure on revenue account also increased with the expansion of the revenue and the gradual reduction and eventual remission of the Provincial contribution, and reached its highest point in 1930–1931. The fall in the revenue from that year onwards made it necessary to cut down expenditure drastically in order to avoid deficits. The transfer of certain areas to Orissa resulted in an annual saving in expenditure from 1936–1937 which was about 22 lakhs more than the revenue formerly obtained from those areas.

**Revenue and Expenditure as in the Accountant-General's books.**

2. The following statement shows the revenue and expenditure as in the Accountant-General's books for the various years (except for 1920–1921, the figures for which have been adjusted according to the financial arrangements in force from 1921–1922) :—

(Note.—In this statement, the working expenses of Irrigation and Electric schemes for which capital and revenue accounts are kept have been taken as deductions from the revenue therefrom, though they were shown as expenditure in the budgets. The expenditure figures from 1921–1922 to 1926–1927 include also the Provincial contribution mentioned in paragraph 1.)

| Year. | Revenue. | Expenditure on revenue account. | Surplus (+) or Deficit (—) [column (2) — column (3)]. |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| 1920–1921 .. .. .. .. .. | 16,19·71 | 14,79·60 | + 1,40·11 |
| 1921–1922 .. .. .. .. .. | 15,79·20 | 16,77·92 | — 98·72 |
| 1922–1923 .. .. .. .. .. | 16,06·22 | 16,09·24 | — 3·02 |
| 1923–1924 .. .. .. .. .. | 16,47·85 | 16,11·54 | + 36·31 |
| 1924–1925 .. .. .. .. .. | 16,27·59 | 16,57·06 | — 29·47 |
| 1925–1926 .. .. .. .. .. | 16,93·60 | 15,95·23 | + 98·37 |
| 1926–1927 .. .. .. .. .. | 16,83·69 | 15,82·21 | + 1,01·48 |
| 1927–1928 .. .. .. .. .. | 17,05·37 | 15,03·64 | + 2,01·73 |
| 1928–1929 .. .. .. .. .. | 17,53·10 | 16,13·96 | + 1,39·14 |
| 1929–1930 .. .. .. .. .. | 18,08·88 | 16,84·79 | + 1,24·09 |
| 1930–1931 .. .. .. .. .. | 16,83·93 | 17,89·68 | — 1,05·75 |
| 1931–1932 .. .. .. .. .. | 16,29·88 | 16,24·47 | + 5·41 |
| 1932–1933 .. .. .. .. .. | 16,40·24 | 15,63·03 | + 77·21 |
| 1933–1934 .. .. .. .. .. | 15,50·28 | 15,44·03 | + 6·25 |
| 1934–1935 .. .. .. .. .. | 15,62·60 | 15,51·67 | + 10·93 |
| 1935–1936 (Madras including Orissa) * .. .. | 15,88·25 | 15,83·40 | + 4·85 |
| 1935–1936 (Madras only) .. .. .. | 15,57·66 | 15,31·03 | + 26·63 |
| 1936–1937 .. .. .. .. .. | 15,58·04 | 15,77·37 | — 19·33 |

* Note.—This phrase is used here and in similar statements to mean "the Province of Madras including the areas transferred to Orissa on the 1st April 1936."

**SURPLUSES AND DEFICITS.**

3. In the sixteen years beginning with 1921–1922, there were surpluses in eleven years and deficits in five years. The surplus in 1923–1924 was mainly due to the retrenchment measures taken in the previous two years, whilst the surpluses in the years 1925–1926 to 1929–1930 were due to the fact that expenditure, largely as a result of the reduction and remission of the Provincial contribution, did not keep pace with the expanding revenue. The budget for 1932–1933 was fixed at a time when the revenue was rapidly falling, but a sudden unforeseen recovery of excise and stamp revenues produced an unexpected surplus. The surpluses in the remaining four years were small.

The deficit in 1921–1922 was due to the non-co-operation movement, the Mappilla rebellion in Malabar, the famine in the Ceded districts, the general trade depression and the increase in salaries. The effects of these events were felt in 1922–1923 also, but were offset to a large extent by retrenchment. The 'fituri' rising in the Vizagapatam Agency and unprecedented floods, which both reduced the revenue and increased the expenditure, contributed to the deficit of 1924–1925. The sudden contraction of revenue in 1930–1931 as a result of the economic depression caused the largest deficit which has occurred in this Province. The deficit in 1936–1937 was mainly due to a special non-recurring contribution of 17 lakhs from revenue to the Madras Famine Relief Fund for investment in Government of India securities.

**CUMULATIVE SURPLUS IN THE PERIOD 1921–1922 TO 1936–1937.**

4. The Province started with a revenue opening balance of 58·78 lakhs on the 1st April 1921. The net cumulative surplus of the sixteen years from 1921–1922 to 1936–1937 was 549·48 lakhs, out of which a sum of about 3 crores was used for paying off debts to the Government of India before the due dates in 1923–1924, 1929–1930 and 1930–1931. In this way the annual debt charges were reduced by over 30 lakhs. Nearly the whole of the remainder was utilized for productive capital expenditure, loans to local bodies, agriculturists and others, and for unproductive capital expenditure on improvements to minor irrigation works and major civil works estimated to cost over 5 lakhs each. The revenue closing balance on the 31st March 1937 was 61·86 lakhs as against 58·78 lakhs on the 1st April 1921. If the surpluses of this period had been used for fresh recurring expenditure instead of for reduction or avoidance of debt, the Madras Government would have had much greater difficulty in weathering the storm of the economic depression and their financial position when beginning the new period of provincial autonomy would have been much less satisfactory.

## Debt transactions from 1921–1922 to 1936–1937.

5. As from the 1st April 1921 the Provincial Governments were for the first time empowered to raise loans for provincial purposes on the security of the revenues allocated to them. The Madras Government were debited on that date with a sum of 8,75·26 lakhs, representing capital expenditure incurred by the Government of India up to the year 1920–1921 on the construction of productive and protective irrigation works and other works in the Province of Madras. The Government of India were entitled only to interest at fixed rates on this amount, whilst the Madras Government had the option of amortizing the debt. Out of this amount, 47·07 lakhs, representing expenditure on works in the areas transferred to the Province of Orissa, was debited to the Government of Orissa on the 1st April 1936. The option of amortizing the debt had not been exercised and the amount outstanding against the Madras Government on the 31st March 1937 was 8,28·19 lakhs, bearing an annual charge for interest of 28·12 lakhs.

On the 1st April 1921 the Madras Government were also debited with a further sum of 1,09·86 lakhs, representing the balance of loans given prior to that date to local authorities, cultivators and others in this province from moneys advanced by the Government of India. The recoveries from that date were credited to the Madras Government. This amount was repaid to the Government of India in twelve annual instalments ending with 1932–1933.

Between the years 1921–1922 and 1936–1937 further sums were borrowed from and repaid to the Government of India as detailed below :—

| (1) | Amounts borrowed. (2) | Amounts repaid. (3) | Balance outstanding on the 31st March 1937. (4) |
|---|---|---|---|
| (1) For the Cauvery-Mettur Project .. | 6,13·33 | 2·43 | 6,10·90 |
| (2) For other objects .. .. | 7,40·41 | 6,51·04 | 89·37 |
| Total .. | **13,53·74** | **6,53·47** | **7,00·27** |

The amounts borrowed for the Cauvery-Mettur Project were to be repaid in 70 annual instalments over the years 1936–1937 to 2005–2006 and the annual equated payment towards interest and principal was 30·36 lakhs.

The amount borrowed for other objects in each year was to be repaid in fifteen annual equated payments beginning with the next following year. A sum of ·02 lakh representing the balance of the loan taken for the Kolab bridge was transferred to the Government of Orissa on the 1st April 1936. The equated payments in respect of these loans would have been 29·19 lakhs in 1937–1938, falling by degrees to 5·09 lakhs in 1940–1941 and ceasing from the year 1948–1949.

The debt position of the Madras Government on the 31st March 1937 was accordingly as follows :—

| Details. | | Amount of debt. | Annual payment towards interest and principal in 1937–1938. |
|---|---|---|---|
| (1) Pre-1921 Irrigation Debt .. .. | | 8,28·19 | 28·12 (towards interest and in perpetuity). |
| (2) Post-1921 debts— | | | |
| (a) Cauvery-Mettur Project debt. | 6,10·90 | 7,00·27 | 30·36 (towards interest and principal up to the year 2005–2006). |
| (b) Other debts .. .. | 89·37 | | 29·19 (towards interest and principal falling by degrees and ceasing from 1948–1949). |
| Total .. | | 15,28·46 | 87·67 (in 1937–1938). |

The average rate of interest was 3·39 per cent on the pre-1921 debt, 4·81 per cent on the post-1921 debt and 4·04 per cent on the whole debt.

**CLOSING BALANCE, 1936–1937.**

6. As stated in paragraph 4, the revenue opening balance of the Madras Government on the 1st April 1921 was 58·78 lakhs, and the revenue closing balance on the 31st March 1937 was 61·86 lakhs. In addition, the Madras Government possessed on the 31st March 1937 a closing balance of 63·89 lakhs partly belonging to the depreciation funds of commercial undertakings and the Government Press and partly under Deposits and other heads. The total closing balance on the 31st March 1937, excluding the value of the securities held in the Madras Famine Relief Fund, was thus 1,25·75 lakhs.

**EFFECT OF TRANSFER TO ORISSA.**

7. The effect on the finances of the Madras Government of the transfer of certain areas to Orissa on 1st April 1936 was as follows :—

(1) **Revenue Account.**—There was a direct saving of about 22 lakhs per annum, representing the excess of expenditure (53 lakhs) over the revenue (31 lakhs) in the transferred areas. The real saving however was greater, as Orissa assumed full pensionary liability in respect of Madras Government servants permanently transferred to that province.

(2) **Revenue balances (free).**—Nil, as no portion of the Madras balances was transferred to Orissa.

(3) **Capital and Debt Accounts.**—There was a net reduction of the Madras Government's debt amounting to 44·28 lakhs, made up of outstanding debts amounting to 47·09 lakhs transferred to Orissa as liabilities *minus* the outstanding balance amounting to 2·81 lakhs of loans granted to local bodies and others in the transferred areas, which was transferred to Orissa as an asset.

(4) **Deposit Accounts.**—An amount of ·23 lakh was transferred to Orissa out of the Central Government's grant in 1935–1936 for the economic development and improvement of rural areas earmarked for the Orissa areas. The receipts and expenditure relating to the Rice Research Station at Berhampur in the transferred areas financed by the Imperial Council of Agricultural Research were also transferred to the Government of Orissa, but only from the 1st April 1937.

(5) **Famine Relief Fund.**—Nil, as no portion of the balance in the Madras Famine Relief Fund was transferred to Orissa. The Fund, on the contrary, benefited indirectly through being no longer liable to be drawn upon to finance famine relief operations in the transferred areas.

**B. General review of the Finances of the Province of Madras from 1936–1937 according to the classification of accounts from the 1st April 1937.**

CHANGES IN ACCOUNTS CLASSIFICATION.

8. From the 1st April 1937 several changes have been made in the classification of receipts and disbursements which was followed in the budgets of previous years. The more important of these changes are the following :—

(1) (*a*) The portion of land revenue due to irrigation, which was formerly included under VII. Land revenue—Ordinary revenue, is now shown as a deduction under that head and taken to the heads XVII. Irrigation, etc., works for which capital accounts are kept and XVIII. Irrigation, etc., works for which no capital accounts are kept.

(*b*) Allowances to religious institutions paid from the land revenue collections of the villages concerned, which were formerly treated as deductions from revenue under VII. Land revenue are now entered in the accounts as expenditure and debited to 7. Land revenue—Assignments and compensations.

(2) Working expenses of Irrigation and Electricity schemes for which capital and revenue accounts are kept were formerly shown in the budgets on the expenditure side, but from the 1st April 1937 they are shown on the receipt side as deductions from the gross receipts under XVII. Irrigation, etc., works for which capital accounts are kept and XLI. Receipts from Electricity schemes respectively.

(3) Expenditure financed from grants from the Imperial Council of Agricultural Research and the Indian Central Cotton Committee was formerly cancelled by the transfer of an equivalent amount from the deposit account of these grants and its adjustment in reduction of expenditure. From the 1st April 1937, the amounts transferred from the deposit accounts are credited to the appropriate revenue heads. This results in increases in the figures for both revenue and expenditure, but the increases balance one another and have no net effect.

(4) The transactions relating to the Central Government's grants for the economic development and improvement of rural areas and for Co-operative training and instruction were not brought on to the revenue account before 1937–1938, but were finally accounted for under the deposit heads concerned. They are now accounted for in the way explained for the last preceding item.

(5) Interest on capital outlay on Irrigation and Electricity schemes and commercial undertakings is now debited under the appropriate heads prescribed for the purpose, and the amounts so debited are also adjusted in reduction of expenditure under the head 22. Interest on debt and other obligations.

A separate section for Electricity was opened with effect from the accounts for 1939–1940 and the expenditure on Hydro-Electric survey which was formerly shown in the budget under the head 36. Scientific departments is now booked under the head 52-A. Other revenue expenditure connected with electricity schemes.

The pay and allowances of the Members, the Joint Secretary and the settlement branch of the Board of Revenue hitherto shown under 7. Land revenue are from the 1st April 1941 booked under the head 25. General Administration.

The revenue from trees and minor forest produce on unreserved lands hitherto included under X. Forest are from the 1st April 1941 credited to the head VII. Land revenue.

The recoveries from local bodies, etc., arising from the operation of the Provincial loan account, utilized for amortization of the pre-autonomy and post-autonomy debts, which were hitherto adjusted as deduction of charges under 23. Appropriation for reduction or avoidance of debt are, with effect from the accounts for 1940–1941, treated as receipts and credited to XLVI. Miscellaneous.

DECENTRALIZATION OF BALANCES AND CONSOLIDATION OF DEBT.

9. An integral part of the financial settlement between the Provinces and the Government of India on the commencement, on the 1st April 1937, of Part III of the Government of India Act, 1935, was a scheme for the decentralization of balances. For the Madras Government, this was accompanied by a consolidation of the debt owed to the Government of India on the 31st March 1937 as explained below :—

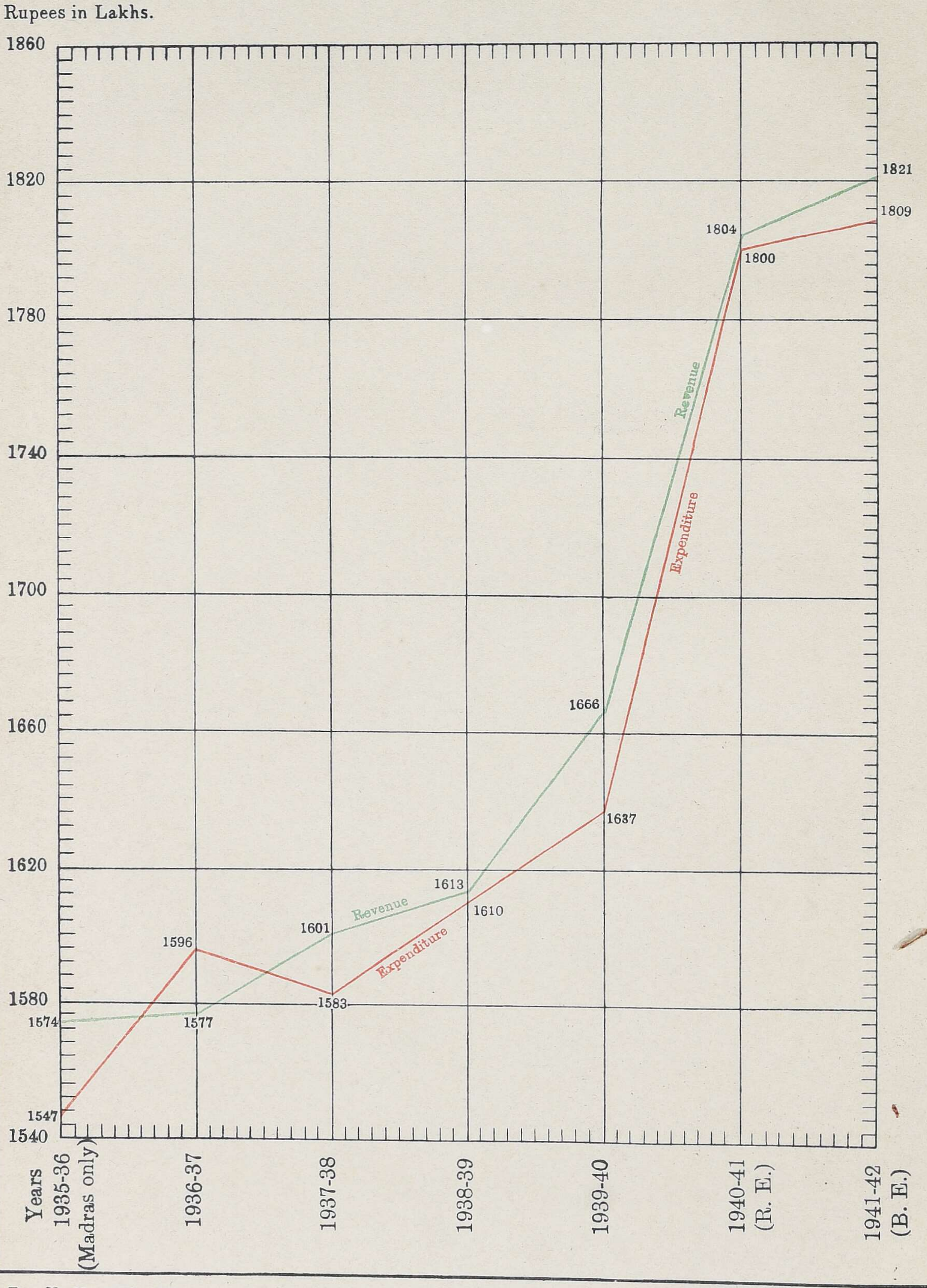
DECENTRALIZATION OF BALANCES.

Before the 1st April 1937 the Government of India held, and were liable to repay, various deposits (including interest-bearing State provident fund deposits, interest-free balances of municipal and other local authorities, departmental and judicial deposits, etc.) which are of an intrinsically local nature or definitely associated with Provincial functions.

PLATE I

# REVENUE AND EXPENDITURE ON REVENUE ACCOUNT

Scale 1 Inch = 40 Lakhs.




*Reg. No. 8/1. Copies. 240.*

*Helio-Zinco., Survey Office, Madras, 1941.*

The balances to the credit of these deposit accounts pertaining to the Province of Madras on the 31st March 1937 amounted to 7,71·75 lakhs.

The liabilities attached to these balances were transferred to the Madras Government as from the closing of accounts on the 31st March 1937. The balances themselves on that date were not handed over to the Madras Government in cash, but were adjusted in reduction of the pre-1921 debt of 8,28·19 lakhs (see paragraph 5), leaving an amount of 56·44 lakhs still outstanding on that account.

CONSOLIDATION OF DEBT.

The Madras Government's debts to the Government of India, after the adjustment mentioned above, amounted to 7,56·71 lakhs made up of 56·44 lakhs of pre-1921 debt and 7,00·27 lakhs of other debt (see paragraph 5). The average rate of interest on this debt was 4·71 per cent. The Government of India consolidated the amount into a single debt repayable over a period of 45 years from 1937–1938 to 1981–1982 with interest at 4·50 per cent, which was the rate obtained by rounding the actual average rate to the next lower quarter per cent. The Madras Government will have the option of redeeming, between the 1st April 1945 and the 15th October 1946, any part not exceeding one-half of the principal of this consolidated debt outstanding on the 31st March 1945 and of redeeming, between the 1st April 1960 and the 15th September 1961, the whole or any part of the remainder of the debt.

The annual equated payment towards interest and principal in respect of this consolidated debt is 39·29 lakhs, payable in half-yearly instalments from 1937–1938 on the 15th September and the 15th March.

10. For the purpose of the general financial review, it has not been possible to adjust the figures for all the years prior to 1937–1938 on the basis of the present classification as the figures up to the year 1935–1936 include those relating to the areas transferred to Orissa, which it has not been possible to separate for all the years. But the figures for 1935–1936 (including and excluding the Orissa areas) and 1936–1937 have been adjusted in the following paragraphs on the basis of the present classification.

REVENUE AND EXPENDITURE FROM 1935–1936 ACCORDING TO THE NEW CLASSIFICATION.

11. The following statement shows the Revenue and Expenditure on Revenue Account from 1935–1936 according to the new classification :—

**(Plate I.)**

| Year. | Revenue. | Expenditure on Revenue Account. | Surplus ( + ) or Deficit ( — ). |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| 1935–1936 (including Orissa) .. .. | 16,04·22 | 15,99·37 | + 4·85 |
| 1935–1936 (Madras only) .. .. .. | 15,73·50 | 15,46·87 | + 26·63 |
| 1936–1937 .. .. .. .. | 15,76·72 | 15,96·05 | — 19·33 |
| 1937–1938 .. .. .. .. | 16,00·62 | 15,82·96 | + 17·66 |
| 1938–1939 .. .. .. .. | 16,13·45 | 16,09·72 | + 3·73 |
| 1939–1940 .. .. .. .. | 16,65·90 | 16,37·39 | + 28·51 |
| 1940–1941 (revised estimate) .. .. | 18,04·47 | 17,99·66 | + 4·81 |
| 1941–1942 (budget estimate) .. .. | 18,21·37 | 18,08·62 | + 12·75 |

12. The statement below shows the revenues distributed over the important heads :—

(Plate II.)

| Year. | Taxes on income other than Corporation Tax. | Land Revenue and Irrigation *minus* Working Expenses. | Excise. | Stamps. | Forest. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1935–1936 (including Orissa) .. | .. | 7,10·30 | 4,08·26 | 2,08·18 | 44·97 |
| 1935–1936 (Madras only) .. | .. | 6,99·13 | 3,96·69 | 2,04·45 | 43·57 |
| 1936–1937 .. .. .. | .. | 6,91·96 | 3,95·58 | 1,95·08 | 48·29 |
| 1937–1938 .. .. .. | 18·75 | 6,80·66 | 4,03·07 | 1,92·69 | 50·45 |
| 1938–1939 .. .. .. | 22·50 | 6,70·69 | 3,72·23 | 1,73·37 | 45·63 |
| 1939–1940 .. .. .. | 41·85 | 6,95·66 | 3,36·03 | 1,74·26 | 44·83 |
| 1940–1941 (revised estimate) .. | 58·65 | 7,01·83 | 3,39·78 | 1,81·97 | 47·19 |
| 1941–1942 (budget estimate) .. | 63·75 | 7,08·89 | 3,45·49 | 1,82·39 | 42·00 |

| Year. | Registration. | Motor vehicles. | Other taxes and duties. | Electricity schemes *minus* Working Expenses. | Other heads. | Total. |
|---|---|---|---|---|---|---|
| | (7) | (8) | (9) | (10) | (11) | (12) |
| 1935–1936 (including Orissa) .. | 31·15 | 40·68 | 1·93 | 9·25 | 1,49·50 | 16,04·22 |
| 1935–1936 (Madras only) .. | 30·64 | 40·08 | 1·93 | 9·25 | 1,47·76 | 15,73·50 |
| 1936–1937 .. .. .. | 30·69 | 48·54 | 1·15 | 16·92 | 1,48·51 | 15,76·72 |
| 1937–1938 .. .. .. | 33·29 | 53·95 | 2·87 | 17·53 | 1,47·35 | 16,00·62 |
| 1938–1939 .. .. .. | 32·70 | 81·22 | 3·19 | 17·70 | 1,94·22 | 16,13·45 |
| 1939–1940 .. .. .. | 32·96 | 80·50 | 79·28 | 12·99 | 1,67·54 | 16,65·90 |
| 1940–1941 (revised estimate) .. | 37·69 | 79·09 | 1,27·20 | 39·80 | 1,91·27 | 18,04·47 |
| 1941–1942 (budget estimate) .. | 37·92 | 79·09 | 1,18·97 | 44·49 | 1,98·38 | 18,21·37 |

**Taxes on Income other than Corporation Tax.** The revenue shows a progressive improvement owing to the increase in the Income-tax receipts realized by the Central Government and consequently in the divisible portion of the income. The figures for 1940–1941 and 1941–1942 are based on the forecast of the Government of India.

**Land Revenue and Irrigation.** Adverse seasonal conditions in 1938–1939 necessitated large season remissions, and postponement of kists and peshkash in certain districts. The decrease would have been greater but for the application of the land revenue concessions in the last kist month with the result that the concession was given in April and May in some districts instead of in March as in previous years. The increase in 1939–1940 is due to the fact that the seasonal conditions were better than in 1938–1939 and that in 1940–1941 is due to the fact that the season was on the whole normal. The further increase in 1941–1942 is partly due to the credit to this head of the revenue from trees and minor forest produce on unreserved lands hitherto credited to X. Forest.

**Excise.** The decrease from 1937–1938 to 1939–1940 is due to Prohibition which was first introduced in the Salem district in October 1937, and extended to Chittoor and Cuddapah districts in October 1938 and to North Arcot district in October 1939. There has been no further extension of prohibition. The loss of revenue due to prohibition is estimated at 65 lakhs. (*See* **Appendix I-A.**) There has been an increase in revenue in 1940–1941 due to general improvement in seasonal and economic conditions. The further increase in 1941–1942 is due to the expectation that the same conditions will continue.

**Stamps.** The revenue from Stamps which had fallen in recent years owing to a drop in litigation and land values has shown signs of recovery from 1939–1940 ; and it is expected that the improvement will be continued in 1940–1941 and 1941–1942.

**Forest.** The decrease in 1938–1939 was due to the reduction in grazing fees by 50 per cent. The increase in 1940–1941 is due to the supply of timber to the Defence department. The decrease in 1941–1942 is due to a change in the classification according to which revenue from trees and other minor forest produce on unreserved lands will be credited to VII. Land revenue instead of to this head.

PLATE II

# REVENUE UNDER MAIN HEADS OF ACCOUNT

Scale 1 Inch = 100 Lakhs

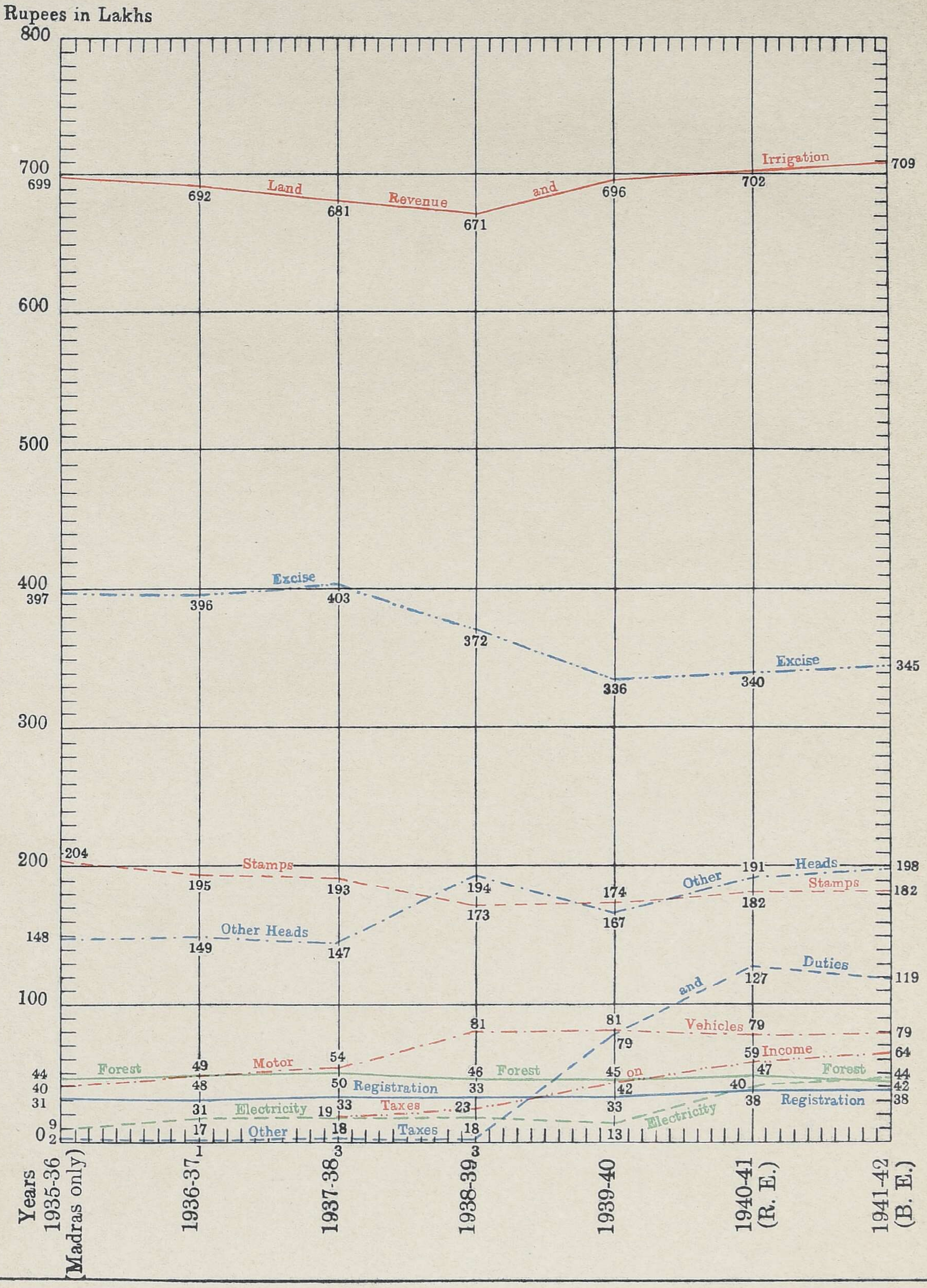



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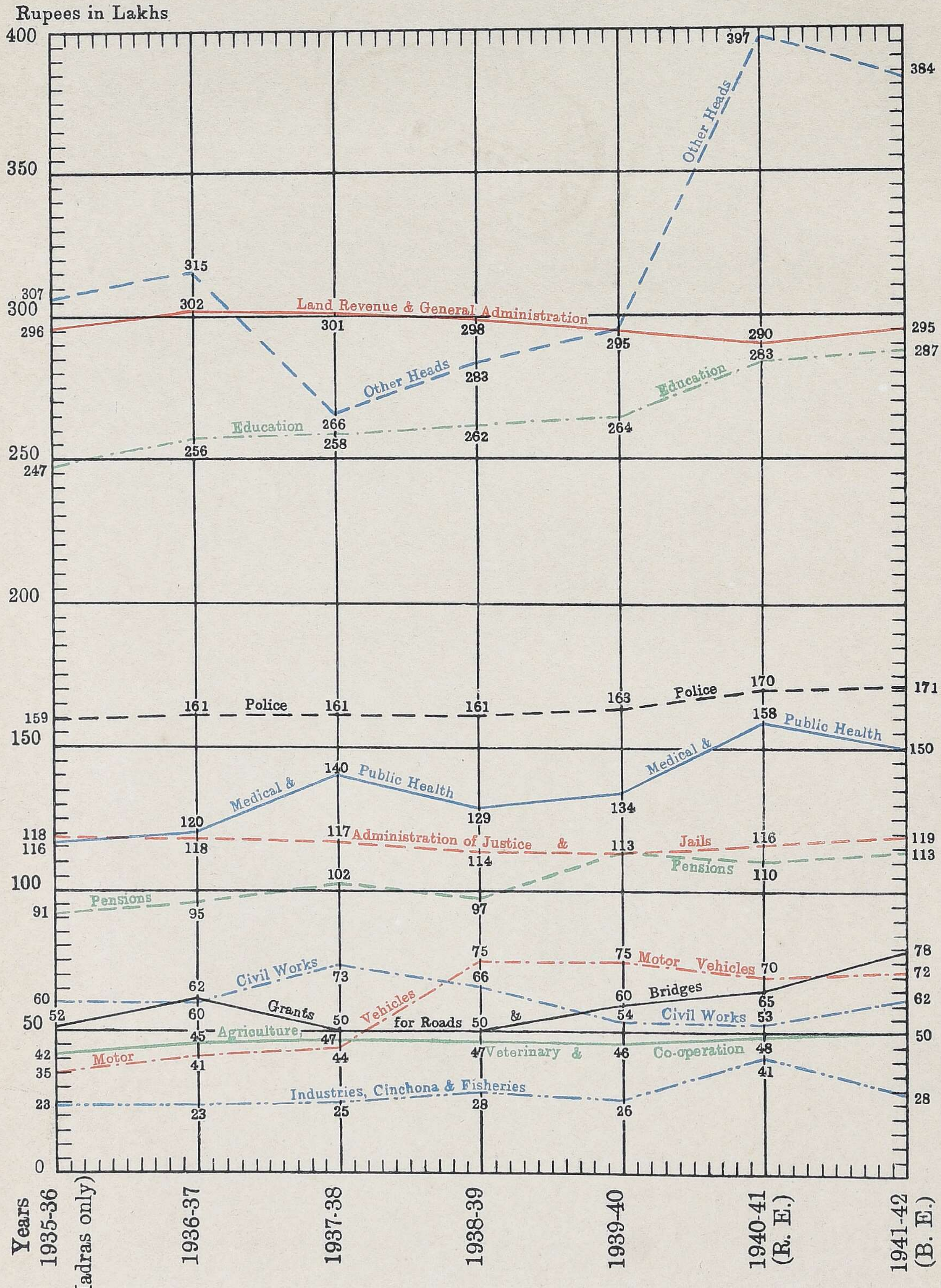
PLATE III

# EXPENDITURE ON REVENUE ACCOUNT UNDER MAIN HEADS OF ACCOUNT

Scale 1 Inch = 50 Lakhs.

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**REGISTRATION.** Registration fees were enhanced from the 1st January 1938. Notwithstanding this, the revenue declined in 1938–1939 owing to the fall in the number of registrations. Since 1938–1939 registrations are showing a tendency to increase with a consequent increase in fees for registering documents and search fees.

**MOTOR VEHICLES.** The tax on buses and lorries was enhanced from 1938–1939. There has however been a fall in revenue from 1939–1940 owing to the fall in the number of vehicles paying the tax due to the high price of petrol and war conditions.

**OTHER TAXES AND DUTIES.** The increase in 1939–1940 is due to the introduction of new taxation measures by the late Ministry. The increase in 1940–1941 is due to the operation of the new taxes for one full year, partly offset by the reduction in the rates of the general sales tax from 1st April 1940. The full effect of the reduction will be felt only in 1941–1942 and this accounts for the decrease in 1941–1942.

**ELECTRICITY SCHEMES.** The decrease in 1939–1940 is due to increase in working expenses which are taken in reduction of receipts. The larger working expenses were due to receipt in that year of electrical stores which were not expected to be received in the year. The increase in 1940–1941 and 1941–1942 is due to the expansion of the Madras Electrical grid.

**OTHER HEADS.** The large increase in 1938–1939 was due to the transfer of 44·67 lakhs from the balances of the Minor Ports Fund to general revenues. The increase in 1940–1941 and 1941–1942 is due mainly to the credit to the head XLVI. Miscellaneous of the recoveries from local bodies, etc., arising from the operation of the Provincial Loan Account which were hitherto treated as deduction of charges under 23. Appropriation for reduction or avoidance of debt; to larger transfers from the deposit account of subventions from the Central Road Fund and grants for economic development and improvement of rural areas; to larger receipts from Industries (Cinchona) and to larger interest receipts.

13. The statement below shows the expenditure distributed over main heads of account :—

(Plate III.)

| Year. (1) | Land Revenue and General Administration. (2) | Motor Vehicles. (3) | Administration of Justice and Jails. (4) | Police. (5) | Education. (6) | Medical and Public Health including grant for water-supply and drainage schemes. (7) | Agriculture, Veterinary and Co-operation. (8) |
|---|---|---|---|---|---|---|---|
| 1935–1936 (including Orissa) .. | 3,06·61 | 35·90 | 1,20·81 | 1,67·69 | 2,55·19 | 1,19·45 | 42·92 |
| 1935–1936 (Madras only) .. .. | 2,95·81 | 35·35 | 1,18·33 | 1,59·12 | 2,46·64 | 1,16·35 | 42·40 |
| 1936–1937 .. .. .. .. | 3,01·54 | 41 37 | 1,17·78 | 1,60·76 | 2,56·33 | 1,19·58 | 44·57 |
| 1937–1938 .. .. .. .. | 3,00·68 | 44·12 | 1,16·90 | 1,60·70 | 2,57·95 | 1,40·08 | 46·87 |
| 1938–1939 .. .. .. .. | 2,98·18 | 75·06 | 1,13·85 | 1,60·96 | 2,61·98 | 1,28·98 | 47·29 |
| 1939–1940 .. .. .. .. | 2,94·95 | 74·87 | 1,13·19 | 1,63·25 | 2,63·57 | 1,33·72 | 46·36 |
| 1940–1941 (revised estimate) .. | 2,89·84 | 70·36 | 1,15·78 | 1,69·52 | 2,82·53 | 1,57·75 | 47·86 |
| 1941–1942 (budget estimate) .. | 2,94·80 | 71·61 | 1,19·19 | 1,70·72 | 2,86·62 | 1,50·46 | 49·92 |

| Year. | Industries, Cinchona and Fisheries. (9) | Grants to Local Bodies for Roads and Bridges. (10) | Civil Works excluding grants. (11) | Pensions. (12) | Other heads. (13) | Total. (14) |
|---|---|---|---|---|---|---|
| 1935–1936 (including Orissa) | 22·60 | 53·10 | 67·53 | 92·53 | 3,15·04 | 15,99·37 |
| 1935–1936 (Madras only) .. .. | 22·57 | 51·80 | 59·89 | 91·30 | 3,07·31 | 15,46·87 |
| 1936–1937 .. .. .. .. | 22·87 | 62·07 | 59·80 | 94·68 | 3,14·70 | 15,96·05 |
| 1937–1938 .. .. .. .. | 25·45 | 49·80 | 73·02 | 1,01·81 | 2,65·58 | 15,82·96 |
| 1938–1939 .. .. .. .. | 27·54 | 49·67 | 65·77 | 97·12 | 2,83·32 | 16,09·72 |
| 1939–1940 .. .. .. .. | 26·00 | 59·93 | 53·64 | 1,12·73 | 2,95·18 | 16,37·39 |
| 1940–1941 (revised estimate) .. | 40·92 | 64·76 | 53·30 | 1,09·92 | 3,97·12 | 17,99·66 |
| 1941–1942 (budget estimate) .. | 28·25 | 77·97 | 61·51 | 1,13·22 | 3,84·35 | 18,08 62 |

The expenditure on Land Revenue and General Administration, Administration of Justice and Jails, Agriculture, Veterinary and Co-operation, and Civil works excluding grants, does not show any marked variations.

The large increase under Motor Vehicles from 1938–1939 is due to the payment of compensation to local bodies for loss of income from licence fees on motor vehicles and it is covered by enhanced tax on Motor Vehicles.

The increase in 1940–1941 and 1941–1942 under Police is due to the additional Police sanctioned owing to conditions created by the war and for internal security.

The increase under Education in 1940–1941 and in 1941–1942 is due to the additional provision made for teaching grants to aided elementary schools.

The increase in expenditure under Medical and Public Health in 1937–1938 was due to a contribution of 18 lakhs to the Fund for the development of Rural Water-supply. The increase in 1940–1941 is due to a further contribution of 10 lakhs to the Fund and to larger grants to Madras Corporation and mufassal municipalities for water-supply and drainage schemes.

The increase in 1940–1941 under Industries, Cinchona and Fisheries is due to special purchase of Java bark and quinine sulphate for a reserve stock to guard against the possible interruption of imports due to war.

Grants to local bodies for roads and bridges show an increase in 1940–1941 and in 1941–1942 due to larger expenditure anticipated on works financed from the Central Road Fund and to larger provision for grants to local bodies for improved surfacing of roads.

There is normally a growth in pension charges, due partly to the replacement of pensioners on low pensions by others on higher pensions based on the increased scales of pay introduced two decades ago and partly to increase in the number of pensioners, owing to the growth of establishments. The increase in 1937–1938 was due to larger expenditure on commutation of pensions, the fall in expenditure in 1938–1939 was due to the debit to capital of the expenditure on commutation of pensions, while the increase in 1939–1940 was due to the repayment from revenues of the balance of the commuted value of pensions debited to capital in 1938–1939.

The fall in expenditure under other heads in 1937–1938 was due mainly to the non-repetition of the special contribution to the Famine relief fund made in 1936–1937 and to the reduction of debt charges, owing to the consolidation of the debt due to the Central Government. The increase in 1940–1941 and in 1941–1942 is due to the transfer to the Revenue reserve fund of the surplus yield of the new taxes to the extent of 55·14 lakhs in 1940–1941 and 36 lakhs in 1941–1942 (*See* **Appendix I-B**) and to the provision of 30 lakhs in 1940–1941 and of 45 lakhs in 1941–1942 for meeting a portion of the expenditure on Capital outlay on electricity schemes from current revenues.

14. *Distribution of Expenditure on Primary Government functions, Development Services and Charges Common.*—The following statement shows the expenditure from 1935–1936 distributed over the following three categories :—

*Category I.*—Primary Government functions.

*Category II.*—Development Services.

*Category III.*—Charges Common to both Categories.

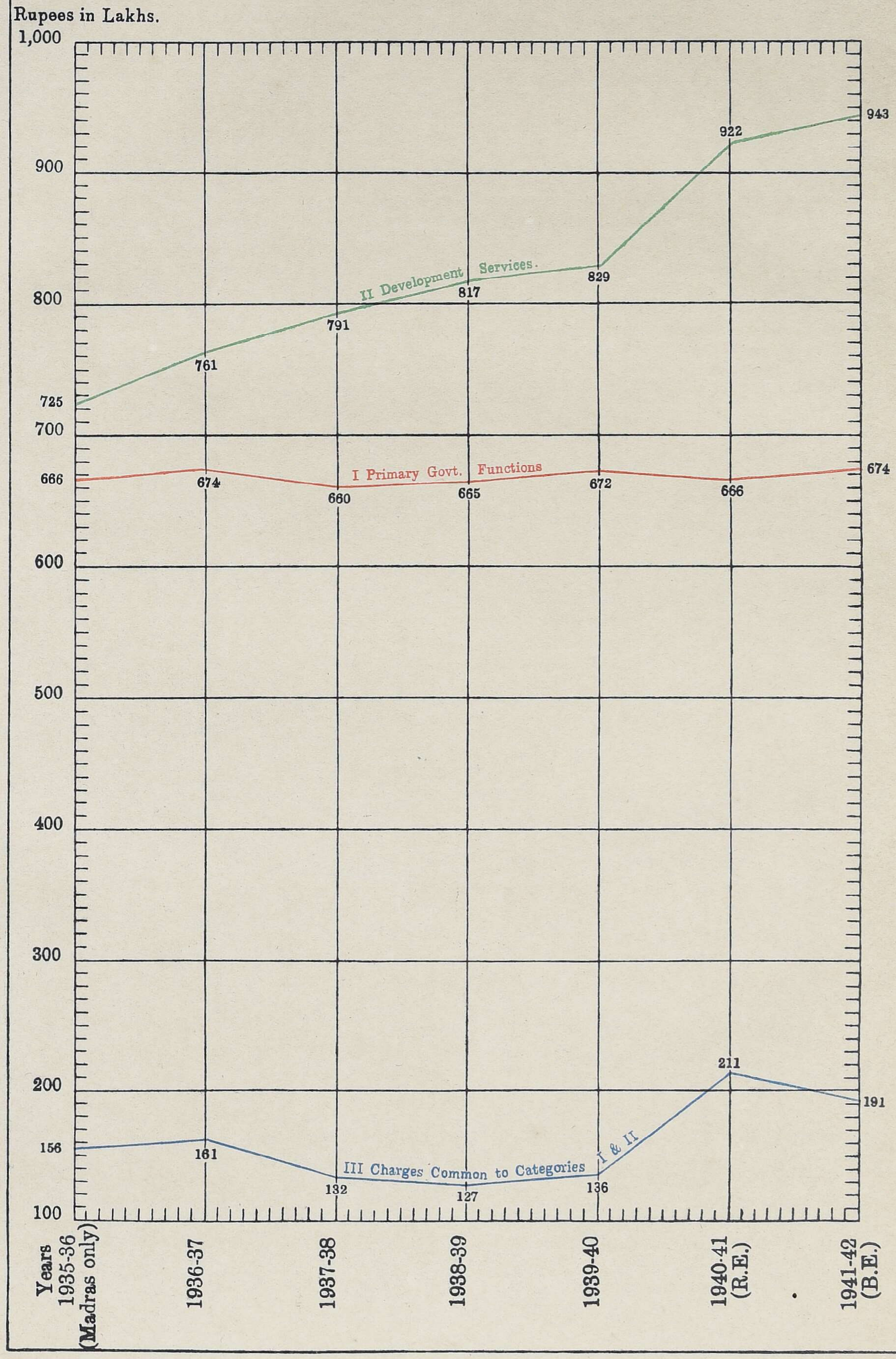
**(Plate IV.)**

| Year. | I. Primary Government functions. | II. Development Services. | III. Charges common. | Total. |
|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) |
| 1935–1936 (including Orissa) .. | 6,91·79 [43·3 %] | 7,48·94 [46·8 %] | 1,58·64 [9·9 %] | 15,99·37 |
| 1935–1936 (Madras only) .. | 6,66·49 [43·1 %] | 7,24·66 [46·8 %] | 1,55·72 [10·1 %] | 15,46·87 |
| 1936–1937 .. .. .. | 6,74·07 [42·2 %] | 7,60·73 [47·7 %] | 1,61·25 [10·1 %] | 15,96·05 |
| 1937–1938 .. .. .. | 6,60·26 [41·7 %] | 7,90·80 [50·0 %] | 1,31·90 [8·3 %] | 15,82·96 |
| 1938–1939 .. .. .. | 6,65·05 [41·3 %] | 8,17·23 [50·8 %] | 1,27·44 [7·9 %] | 16,09·72 |
| 1939–1940 .. .. .. | 6,72·33 [41·0 %] | 8,29·04 [50·6 %] | 1,36·02 [8·4 %] | 16,37·39 |
| 1940–1941 (revised estimate) .. | 6,66·29 [37·0 %] | 9,22·39 [51·3 %] | 2,10·98 [11·7 %] | 17,99·66 |
| 1941–1942 (budget estimate) .. | 6,74·34 [37·3 %] | 9,43·39 [52·2 %] | 1,90·89 [10·5 %] | 18,08·62 |

PLATE IV

# EXPENDITURE ON REVENUE ACCOUNT DISTRIBUTED OVER THREE CATEGORIES

Scale 1 Inch ═100 Lakhs

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*Category I—Primary Government functions.*—This category includes all expenditure debited to Land Revenue, Excise, Stamps, Registration, Other Taxes and Duties, General Administration (excluding expenditure from the Central Government's grant for economic development and improvement of rural areas and expenditure on Broadcasting), Administration of Justice, Jails, Police, Aviation, Miscellaneous departments (Inspectors of Factories and Steam Boilers, Examinations and Indian Partnership Act), Famine, and Miscellaneous.

*Category II—Development Services.*—This category includes all expenditure debited to Forest, Charges on account of Motor Vehicles Acts, Irrigation, Expenditure on economic development and improvement of rural areas financed from the Central Government's grant and debited to General Administration, Scientific departments, Electricity, Education, Medical, Public Health (including contributions to the fund for the development of rural water-supply), Agriculture, Veterinary, Co-operation, Industries (including Cinchona Plantations and Fisheries), Broadcasting, Miscellaneous departments (Labour, Registration of Births and Deaths, etc.) and expenditure on Communications and grants-in-aid.

*Category III—Charges common to categories I and II.*—This includes expenditure on Debt Services, Civil Works other than Communications, Pensions, Stationery and Printing and amounts transferred to Revenue reserve fund.

There is a continuous increase in expenditure on Development Services.

## Capital Expenditure and Loans.

15. Capital Expenditure includes Capital Outlay on Irrigation Works, Industrial Development, Electricity Schemes, Civil Works outside the Revenue Account and Payments of commuted value of pensions. The first three items belong to the category of Development Services and the last two to the category of Charges common. The totals under each category are as follows :—

| Year. | Development services. | Charges common. | Total. |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| 1935–1936 (including Orissa) .. .. | 72·85 | 5·12 | 77·97 |
| 1935–1936 (Madras only) .. .. | 72·85 | 5·12 | 77·97 |
| 1936–1937 .. .. .. .. | 1,06·66 | 11·17 | 1,17·83 |
| 1937–1938 .. .. .. .. | 1,21·61 | 15·92 | 1,37·53 |
| 1938–1939 .. .. .. .. | 1,12·95 | 25·81 | 1,38·76 |
| 1939–1940 .. .. .. .. | 73·41 | 6·13 | 79·54 |
| 1940–1941 (revised estimate) .. .. | 50·29 | 10·89 | 61·18 |
| 1941–1942 (budget estimate) .. .. | 38·76 | 15·81 | 54·57 |

**DEVELOPMENT SERVICES.**

The increase in 1936–1937 to 1938–1939 occurred mainly under Electricity Schemes, while the decrease in 1939–1940 is due to the completion of most of the big Irrigation and Electricity works and to restriction of capital expenditure on account of the war. The decrease in 1940–1941 and 1941–1942 is due to the fact that the part of the expenditure on Capital outlay on electricity schemes amounting to Rs. 30 lakhs in 1940–1941 and Rs. 45 lakhs in 1941–1942 is to be met from current revenues.

**CHARGES COMMON.**

The large increase in 1938–1939 is due to the debit to capital of the commuted value of pensions. The decrease in 1939–1940 is due to the abolition of the system of commutation of pensions except in the case of pensioners who have acquired a right to commute their pensions and to the special credit of about 10 lakhs on account of the repayment to capital of the balance of the commuted value of pensions debited to capital in 1938–1939.

**Loans and Advances by the Provincial Government.**

16. The receipts (recoveries of loans) and disbursements (new loans) are as follows :—

| Year. (1) | | Receipts (Recoveries of loans). (2) | Disbursements (New loans). (3) |
|---|---|---|---|
| 1935–1936 (including Orissa) | .. | 37·24 | 32·01 |
| 1935–1936 (Madras only) | .. | 36·53 | 31·41 |
| 1936–1937 .. .. | .. | 68·90 | 56·15 |
| 1937–1938 .. .. | .. | 34·35 | 57·43 |
| 1938–1939 .. .. | .. | 53·45 | 1,06·98 |
| 1939–1940 .. .. | .. | 69·09 | 1,04·41 |
| 1940–1941 (revised estimate) | .. | 92·52 | 89·14 |
| 1941–1942 (budget estimate) | .. | 92·01 | 1,01·44 |

**Receipts.**

The large increase in 1936–1937 was due to the repayment in full by the Cochin Harbour authorities of loans amounting to about 30 lakhs advanced from the Provincial funds and to a special repayment of about 7½ lakhs by the Tuticorin Port Trust. The increases from 1938–1939 are mainly due to the repayment by the Madras Co-operative Central Land Mortgage Bank of the short-term advances drawn by it.

**Disbursements.**

The disbursements are generally increasing due to larger allotments for loans to local bodies and agriculturists and the large increases from 1938–1939 are due to provision made for short-term advances to the Madras Co-operative Central Land Mortgage Bank.

## The Madras Famine Relief Fund.

17. Rule 29 of the Devolution Rules and Schedule IV thereto made under section 45A of the Government of India Act, 1919, which came into force on the 1st April 1921, provided for the establishment and maintenance of a Famine Relief Fund in this Province by an annual assignment from Provincial revenues. The balance in the Fund on the 31st March 1936 was 44·48 lakhs.

The Government of India Act, 1935, did not provide for the continuance of the Famine Relief Fund established under the Devolution Rules, but the Madras Government considered it essential to have a statutory fund on the same lines. The Madras Famine Relief Fund Act, 1936, as subsequently amended, accordingly provides for the establishment and maintenance of the Madras Famine Relief Fund with the balance in the Fund constituted under the Devolution Rules on its being wound up as its nucleus. The main provisions of the Act are—

(1) *Assets of the Fund*—

(i) The securities purchased from the balance at the credit of the old Fund when it was wound up.

(ii) Contributions from the revenues of the Province.

(iii) Interest accruing from time to time on the securities of the Central or the Provincial Government in which all sums to the credit of the Fund not immediately required for expenditure have to be invested.

(2) *Purposes for which the Fund may be utilized*—

(i) Relief of serious famine.

(ii) Relief of distress caused by serious drought, flood or other natural calamities.

(iii) When the Fund exceeds Rs. 40 lakhs, the excess may be utilized to meet expenditure on protective irrigation works and other works for the prevention of famine.

(3) *Contributions to the Fund from revenues.*—The accounts of the Fund have to be made up as on the 31st March of each year, the securities belonging to it being valued at their market value on that day. Should the valuation in any year show that the balance in the Fund fell short of 60 lakhs on that day, contributions from Provincial revenues have to be made to make up the deficiency. If the deficiency exceeds 5 lakhs it may be made up in annual instalments, each of such instalments except the last being not less than 5 lakhs. Contributions may also be made otherwise, e.g., by crediting the Fund with the sale-proceeds of famine tools and surplus materials remaining unutilized after a famine, etc.

A statement showing the transactions relating to the Madras Famine Relief Fund from the year 1937–1938 will be found in **Appendix II**.

## Depreciation Reserve Funds and Special Reserve Funds of Electric Systems.

18. In order to provide for renewals and replacements of plant, machinery and buildings connected with certain Government Electricity Systems, the following reserve funds have been established in respect of each System concerned :—

(1) *Depreciation Reserve Fund*, to provide for renewals and replacements necessitated by ordinary wear and tear on the basis of the normal life of each item.

(2) *Special Reserve Fund*, to provide for extraordinary and unforeseen renewals that may be required from time to time due to abnormal causes, such as damage by storms, cyclones, fire and similar calamities.

The contributions to each Depreciation and Special Reserve Fund are made annually out of the revenues of the System concerned at the rate of two and a half per cent and one per cent respectively of the total capital outlay as at the end of the preceding year, until the amounts in the Funds accumulate to a maximum of 30 per cent and 10 per cent of that capital outlay respectively, or at such smaller amounts, if any, as may be required in any year to maintain the Funds at the prescribed limits. The balance to the credit of each Fund is separately invested in securities of the Government of Madras or of the Central Government. The interest received on the securities is not credited to the Funds but to the receipts of the respective Systems as Miscellaneous Revenue under XLI. Receipts from Electricity Schemes.

The following are the Systems for which these Funds have been established :—

| System. | Year in which the Funds were established. |
|---|---|
| (i) The Pykara Hydro-Electric System .. .. .. | 1937–1938 |
| (ii) The Mettur Hydro-Electric System— | |
| (*a*) Subsidiary Schemes transferred from the Pykara System to the Mettur System. | 1937–1938 |
| (*b*) Erode-Trichinopoly-Negapatam Extensions .. | 1938–1939 |

A consolidated statement showing the transactions of these Funds from the year 1937–1938 without details by Systems is given in **Appendix III**.

## Ways and Means.

19. Before the 1st April 1937, the Central Government held the entire cash balance in the public account for British India. The Provincial Governments operated on this common body of cash.

From the 1st April 1937, the cash balances of the several Governments in British India were separated. The Government of Madras now have their own balance with the Reserve Bank and their own agreement with the Reserve Bank, which requires them to keep a minimum balance of 40 lakhs. They also own the cash in the Provincial treasuries, the maximum amount of which for each financial year is prescribed by the Government before the commencement of the year. Since the 1st April 1938 the Government of Madras have been completely responsible for watching their daily cash balance. This involves making reasonably accurate forecasts of receipts and outgoings from day to day. A temporary need for additional resources is met either by taking a ways and means advance from the Reserve Bank up to a maximum of 40 lakhs for a period between seven days and three months or by selling to the public treasury bills repayable after a period not exceeding twelve months.

20. The ways and means budget for a financial year shows the net effect on the opening balance of all the transactions of the year. It should provide for a closing balance at least equal to the minimum balance with the Reserve Bank and the working balances

required in the treasuries. The following are the resources which are available to the Madras Government for its ways and means budget :—

Opening balance ;

Excess of Revenue over Expenditure on Revenue Account ;

Excess of receipts over disbursements under the following heads :—

State Provident Funds ;

Deposits and Advances (including Suspense and Revenue Reserve Fund) ;

Remittances ;

Loans and Advances by the Provincial Government ;

Floating Debt, i.e., Treasury Bills and Ways and Means Advances ;

Public Debt (other than Floating Debt).

*Opening balance.*—This includes all cash balances of the Government, irrespective of the source from which they are derived or the objects for which they are held. It does not include the value of the securities held in specific funds, e.g., the Famine Relief Fund, the Depreciation and Special Reserve Funds of certain Government Electricity Systems, and the Cash Balance Investment Account.

*Excess of Revenue over Expenditure on Revenue Account.*—This represents the excess of current revenues over current expenditure, that is to say, the year's revenue surplus, if any.

*State Provident Funds.*—These include the General Provident Fund (Madras), the Indian Civil Service Provident Funds, and the Contributory Provident Fund (Madras).

*Deposits and Advances.*—Deposits are amounts which the Government hold temporarily and will have to repay. They include the Sinking Funds for amortization of Provincial loans raised in the open market, Depreciation Reserve funds of Government commercial undertakings, the Government Press and certain Government Electricity Systems, the Fund for the improvement of rural water-supply, Revenue Reserve Fund, deposits of local funds, deposits of Revenue, Civil and Criminal Courts and a number of other deposits which are received in the course of Government business and for which banking accounts are kept with the Government. The advances included under this head are mainly those made for departmental purposes, mostly in the Survey, Forest, Cinchona and Public Works Departments. Suspense represents transactions which are cleared when they are properly classified under the service heads concerned ; amounts invested through the Cash Balance Investment account and cheques for pre-audit payments are the chief items.

*Remittances.*—Cash remittances between treasuries and remittances between treasuries and departmental accounts, e.g., Forest, Public Works, etc., transfers between Public Works Officers and remittance transfer receipts are the main items under this head.

*Loans and Advances by the Provincial Government.*—Under this head is shown the net recovery or, if it is a minus figure, disbursement on account of such loans and advances.

*Floating Debt.*—Under this head is shown the net amount of treasury bills and ways and means advances, if any, taken from the Reserve Bank of India during the year—see paragraph 19 above.

*Public Debt (other than Floating Debt).*—The receipts under this head are the proceeds of loans raised during the year in the open market or otherwise with a currency of more than a year. Ordinarily the proceeds are used for remunerative capital expenditure and for granting loans which fall under the head Loans and Advances by the Provincial Government. The disbursements under this head represent (1) repayments made towards the consolidated loan from the Central Government, and (2) the amount of any securities of the Government of Madras discharged on maturity or purchased and cancelled before maturity.

21. *Ways and Means Budget.*—The following statement summarizes the ways and means budget of the Madras Government :—

| Particulars. | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| (1) A. Opening balance .. .. | 76·61 | 69·58 | 1,34·48 | 58·42 |
| B. Receipts— | | | | |
| (2) Excess of Revenue over Expenditure on Revenue Account. | 28·51 | 0·82 | 4·81 | 12·75 |
| (3) Public Debt (other than Floating Debt) incurred (new borrowings for remunerative purposes). | 1,50·00 | 1,00·00 | 69·52 | .. |
| (4) Floating Debt (net) .. .. | .. | .. | .. | .. |
| (5) Unfunded Debt—State Provident Funds (net). | 19·52 | 15·93 | 12·92 | 11·95 |
| (6) Suspense Account—Cash Balance Investment Account (net). | 19·32 | 15·00 | — 1,45·00 | 45·00 |
| (7) Revenue Reserve Fund .. .. | .. | .. | 55·14 | 36·00 |
| (8) Sinking Funds and other Reserve Funds. | — 5·12 | — 3·01 | 21·77 | 8·06 |
| Total—B. Receipts .. | 2,12·23 | 1,28·74 | 19·16 | 1,13·76 |
| C. Opening balance *plus* Receipts .. | 2,88·84 | 1,98·32 | 1,53·64 | 1,72·18 |
| D. Disbursements— | | | | |
| (9) Capital Expenditure outside the Revenue Account. | 79·54 | 93·42 | 61·18 | 54·57 |
| (10) Loans and Advances by the Provincial Government (net). | 35·32 | 16·64 | — 3·38 | 9·43 |
| (11) Public Debt (other than Floating Debt) discharged. | 11·98 | 6·13 | 13·73 | 14·45 |
| (12) Deposits of Local Funds (net) .. | 15·83 | 11·00 | 17·62 | 7·85 |
| (13) All other Deposit and Remittance heads (net). | 11·69 | 9·34 | 6·07 | 18·62 |
| Total—D. Disbursements .. | 1,54·36 | 1,36·53 | 95·22 | 1,04·92 |
| E. Closing Balance (C *minus* D) .. | 1,34·48 | 61·79 | 58·42 | 67·26 |

22. *Closing cash balance on the* 31*st March* 1941 *and on the* 31*st March* 1942.—It is estimated that the closing cash balance on the 31st March 1941 and on the 31st March 1942 will be Rs. 58·42 lakhs and Rs. 67·26 lakhs respectively against the minimum requirements of about Rs. 51 lakhs (made up of Rs. 40 lakhs with the Reserve Bank and about Rs. 11 lakhs in treasuries).

**Capital liabilities and assets of the Madras Government.**

23. A statement showing the Capital Liabilities and Assets of the Madras Government as on the last day of each financial year from 1937–1938 will be found in **Appendix IV.**

**Contingent liabilities of the Madras Government.**

24. The Madras Government have guaranteed the Indian Posts and Telegraphs Department against loss in respect of certain unremunerative post and telegraph offices opened for administrative reasons and have also guaranteed the Railway Board against loss in respect of some railway lines (see paragraph 718).

The Madras Government have also guaranteed, for public reasons, the due discharge by certain public bodies of certain liabilities incurred by them ; the details of these guarantees are shown in **Appendix V**.

W. SCOTT BROWN,
*Financial Secretary.*

10*th February* 1941.

## PART III.

**Memorandum explanatory of the figures in the Detailed Budget Estimates of Revenue and Grants.**

APR

Reference to pages in the Detailed Budget Estimates of Revenue.

GENERAL.

25. This memorandum is intended to explain the chief variations in the figures given in the Annual Financial Statement, as between the budget estimates and the revised estimates of the preceding year and as between those revised estimates and the budget estimates of the budget year. For this purpose the major heads of account in respect of receipts and the grants in respect of disbursements have been adopted as the main units. They are further subdivided according to minor heads, as in the Annual Financial Statement.

26. An abstract of the figures by minor heads is given first under each main unit. This is followed by general explanations of the various items of receipts or disbursements booked under each minor head, with a view to obtain a general idea of the activities of the various Government departments and the nature of the transactions recorded against each minor head. Variations in the figures are explained as a rule only if the variation exceeds ·10 lakh under a single minor head.

REVENUE.

**IV. Taxes on Income other than Corporation tax.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| Share of net proceeds assigned to Provinces .. | 41·85 | 40·00 | 58·65 | 63·75 | 1 |

*Revenue.*

27. Section 138 of the Government of India Act, 1935, lays down that taxes on income other than agricultural income shall be levied and collected by the Central Government and that a prescribed percentage of the net proceeds shall be assigned to the Provinces, etc., and shall be distributed among them in such manner as may be prescribed. Notwithstanding any such assignment, the Central Government may retain out of the moneys assigned to Provinces, etc., in each year of a prescribed period such sum as may be prescribed and in each year of a further prescribed period a progressively decreasing sum. The latter period may be extended by the Governor-General in his discretion if he is satisfied that the maintenance of the financial stability of the Federal Government requires him to do so.

28. The Government of India (Distribution of Revenues) Order, 1936, prescribes that the assignment to Provinces, etc., shall be 50 per cent of the net proceeds of the tax and that the share of the Madras Government shall be 15 per cent of the amount assigned. It also prescribes that each of the two periods referred to in section 138 shall be five years, the first period commencing from the 1st April 1937, and the second period from the expiration of the first period. According to the Government of India (Distribution of Revenues) (Amendment) Order, 1940, the sum to be retained by the Central Government out of the assignment to Provinces, etc., has been fixed at $4\frac{1}{2}$ crores of rupees from 1939–1940 to 1941–1942.

EXPLANATION OF VARIATIONS.

29. The Government of India's estimate of the Provinces' share of Income-tax for 1940–1941 is Rs. 391 lakhs including an arrear payment of Rs. 41 lakhs for 1939–1940. The Madras share, at 15 per cent, is Rs. 58·65 lakhs and credit has been taken for the full amount, as in 1939–1940 slightly more than the estimated amount was paid within the year. 1

The budget estimate is based on the forecast of the Government of India according to which a total sum of Rs. 425 lakhs is likely to be disbursed in 1941–1942 to the Provinces as their share of the income-tax. The Madras share at 15 per cent is Rs. 63·75 lakhs.

Reference to pages in the Detailed Budget Estimates of Revenue.

1 and 2

## VII. Land Revenue.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Ordinary revenue .. .. .. | 718·38 | 719·48 | 726·50 | 726·00 |
| Sale-proceeds of waste lands and redemption of land-tax .. .. .. .. | 1·62 | 1·23 | 1·20 | 1·17 |
| Recoveries on account of survey and settlement charges .. .. .. | 1·41 | 1·07 | 1·66 | 1·65 |
| Rents of fisheries .. .. .. | 1·24 | 1·30 | 1·30 | 1·30 |
| Recoveries of overpayments .. .. | ·02 | ·03 | ·03 | ·03 |
| Collection of payments for services rendered. | .. | ·01 | ·01 | ·01 |
| Miscellaneous .. .. .. .. | 4·90 | 4·02 | 4·26 | 8·55 |
| *Deduct*—Portion of land revenue due to irrigation .. .. .. .. | — 209·68 | — 227·11 | — 222·92 | — 224·01 |
| **Total ..** | **517·89** | **500·03** | **512·04** | **514·70** |
| *Deduct*—Refunds .. .. .. | — 1·02 | — 1·20 | — 1·55 | — 1·20 |
| **Grand Total ..** | **516·87** | **498·83** | **510·49** | **513·50** |

### *Revenue.*

30. *Ordinary revenue.*—The main items under 'Ordinary revenue' are the following :—

(1) Fixed peshkash (about 47 lakhs) from permanently settled estates and quit-rent (about 7 lakhs) on inam villages held on shrotriyam or favourable tenure ;

(2) Assessment on lands held under ryotwari tenure, inclusive of charges for supply of water which are consolidated with the assessment, second-crop assessment on single-crop wet lands and water-rate on dry lands including penalty for irrigation without permission ;

(3) Miscellaneous revenue, such as quit-rent on minor inams ; water-rates charged on permanently settled estates, whole inam villages and minor inams ; receipts on account of proprietary estates village service ; revenue from lands cultivated but not held on patta and from cultivated poramboke lands ; ground-rent in towns ; and rents from river islands ; and

(4) Revenue collected by the Revenue Department on behalf of other authorities, the main items being land-cess in aid of the resources of district boards (calculated at $1\frac{1}{2}$ annas in the rupee on the land revenue assessment and water-rates) and the elementary education tax levied as a surcharge on land-cess. These receipts are initially credited to the minor head Ordinary revenue and adjusted in reduction of receipts when they are passed on to the authorities on whose behalf they are collected.

31. *Sale-proceeds of waste lands and redemption of land-tax.*—These accrue from the sale of lands at the disposal of Government, the capitalized value of land revenue assessable on land acquired for the Central Government and railway administrations in certain cases, and the sale-proceeds in excess of the amount of revenue dues of lands sold for non-payment of revenue.

32. *Recoveries on account of survey and settlement charges.*—These are mostly from local bodies, estates and private persons on account of survey and settlement work undertaken on their behalf.

33. *Rents of fisheries.*—The fishery rentals collected on behalf of local bodies are credited to this head. The payment to the local bodies is shown under the expenditure head 7. Land Revenue—Assignments and compensations.

34. *Recoveries of overpayments.*—Overpayments to Government servants whose pay and allowances are debited to the head 7. Land Revenue which are recovered in a subsequent year are credited to this minor head.

35. *Collection of payments for services rendered.*—This head is intended for receipts on account of services rendered which cannot be adjusted in reduction of charges under the rules.

36. *Miscellaneous.*—Under this minor head are shown rents of buildings ; receipts from quarries in and mineral produce from lands other than those under the management of the Forest Department ; tree revenue collected on behalf of local bodies ; sale-proceeds of usufructs and withered trees on Government lands ; revenue from trees and minor forest produce on unreserved lands ; recovery of the cost of survey instruments and maps supplied to local bodies and private parties ; fees for revenue processes, and fines and forfeitures of revenue courts ; fees for the inclusion in the regular ayacut of an irrigation system of areas already under irrigation under one form or another ; and other items.

37. *Deduct—Portion of land revenue due to irrigation.*—In this province fees for the supply of water from Government irrigation works are consolidated with the land revenue demand and collected by the Revenue Department. For administrative purposes, an approximate amount which may be regarded as being due to the irrigation facilities provided is calculated and deducted from the head VII. Land Revenue and credited to the heads XVII. and XVIII. Irrigation, according as the irrigation sources are those for which capital and revenue accounts are kept or those for which no capital accounts are kept.

38. *Refunds.*—Land revenue and cesses collected in excess and subsequently remitted and payment to owners of the balance after adjusting Government dues of sale-proceeds of lands sold for default in payment of revenue are the main items of refunds under this head.

## Explanation of variations.

39. *Ordinary revenue.*—The increase in the revised estimate for 1940–1941 is mainly due to anticipated better collections owing to the prevailing favourable seasonal conditions and to the collection of postponed revenue of last year and of arrears of peshkash and cesses in some permanently settled estates, partly counterbalanced by the postponement of collections in some other estates. 2

The budget estimate for 1941–1942 assumes that the season next year will be a normal one and that land revenue concessions will be granted in fasli 1351 on the same lines as in the current fasli. It also takes credit for the collection of postponed revenue of the current year and of increased revenue in the South Kanara district owing to a change in the kistbandi of Hosdrug sub-taluk of Kasaragod taluk.

40. *Recoveries on account of survey and settlement charges.*—These recoveries vary with the amount of work undertaken for local bodies, estates and private parties. 1

41. *Miscellaneous.*—The receipts under this head comprise several items of a fluctuating nature, the chief item being inclusion fees. The revised estimate for 1940–1941 is based on the progress of actuals. The increase in the budget estimate for 1941–1942 is due to a change in classification of accounts according to which the revenue derived from trees and other minor forest produce on unreserved lands hitherto credited to X. Forests, will, with effect from next year, be credited to this minor head. 2

42. *Deduct—Portion of land revenue due to Irrigation.*—The variations from the budget estimate for 1940–1941 are due to a more accurate adjustment between land revenue proper and irrigation. 1

43. *Refunds.*—The increase in the revised estimate for 1940–1941 is due mainly to the refunds likely to be made in civil suits relating to the resumption of some mohini inam villages in the Tanjore district. The budget estimate for 1941–1942 provides also for refunds of revenue from trees and other minor forest produce removed from unreserved lands. 1

Reference to pages in the Detailed Budget Estimates of Revenue.

3–7

## VIII. Provincial Excise.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Country spirits .. .. .. .. | 101·81 | 97·91 | 102·87 | 104·30 |
| Country fermented liquor .. .. .. | 177·27 | 168·65 | 179·67 | 185·62 |
| Malt liquors .. .. .. .. | 4·48 | 4·50 | 4·84 | 4·84 |
| Wines and spirits (foreign liquors other than beer, medicated wines and commercial spirits) .. | 8·29 | 7·30 | 7·93 | 7·93 |
| Receipts from commercial spirits including denatured spirits and medicated wines .. | ·73 | ·70 | ·69 | ·69 |
| Opium .. .. .. .. .. | 24·73 | 24·87 | 23·75 | 23·78 |
| Duties on medicinal and toilet preparations containing alcohol, opium, etc. .. .. | 1·44 | ·92 | 2·71 | 1·28 |
| Hemp and other drugs .. .. .. | 15·00 | 14·41 | 14·85 | 14·85 |
| Receipts from distilleries .. .. .. | ·02 | ·02 | ·02 | ·02 |
| Fines, confiscations and miscellaneous .. | 2·64 | 2·69 | 2·83 | 2·56 |
| Recoveries of overpayments .. .. .. | ·05 | ·03 | ·04 | ·04 |
| Collection of payments for services rendered .. | ·11 | ·10 | ·10 | ·10 |
| **Total ..** | **336·57** | **322·10** | **340·30** | **346·01** |
| *Deduct*—Refunds .. .. .. .. | — ·54 | — ·64 | — ·52 | — ·52 |
| **Grand Total ..** | **336·03** | **321·46** | **339·78** | **345·49** |

*Revenue.*

44. This major head records the revenue collected by the Provincial Government in connexion with the control of the manufacture, sale, consumption and other operations connected with alcoholic liquors and hemp drugs and of the sale and consumption of raw opium and manufactured drugs. It does not include the customs duty levied by the Central Government on imported liquors.

45. *Country spirits.*—Duty levied on arrack supplied to shopkeepers for sale to the public and licence fees for the contract supply of arrack for warehouses, wholesale depots and for retail sale at shops are credited to this head.

46. *Country fermented liquor.*—Tax levied on coconut, sago and date palms, palmyra and dadasal tapped for fermented toddy and licence fees for sale of toddy in shops are credited to this head.

47. *Malt liquors.*—Duty on beer brewed in Kaity and Naduvakkarai in the Province and on that imported from Bangalore, licence fees for the sale of beer and gallonage fee on beer sold under foreign liquor fixed fee licences are the main items.

48. *Wines and spirits (foreign liquors other than beer, medicated wines and commercial spirits).*—Duty on wines and spirits manufactured in India, licence fees for foreign liquor taverns, receipts from fixed fee licences which are of several kinds and include hotel, bar and refreshment room licences and fees from clubs, and gallonage fee on wines and spirits sold under the fixed fee licences are some of the main items.

49. *Receipts from commercial spirits including denatured spirits and medicated wines.*—Licence fees for the sale of rectified spirits, medicated wines, denatured spirits and methly alcohol and gallonage fees on medicated wines and commercial spirits are the main items.

50. *Opium.*—Opium for local consumption in this Province and in Coorg, Mysore, Travancore, Cochin, Pudukkottai and the French establishments is purchased by the Madras Government from the Central Government's factory at Ghazipur at the actual cost of production fixed according to the commercial principles of costing, and the payment to the Central Government is shown as expenditure under the head 8. Provincial Excise—Cost of opium supplied to the Excise Department. When opium is supplied to Indian States and Coorg, the cost price and a small charge for incidental expenses are collected from them. When it is supplied to shops in this Province and to the French establishments, a fixed issue price for each seer representing both cost price and duty is levied, which is distributed separately in the accounts as cost price and duty. That portion which represents duty after deducting a small amount for incidental expenses is refunded to the French establishments in the following year, and the refund is debited as expenditure under the head 8. Provincial Excise—Compensations. Licence fees for the retail sale of opium to consumers and for the sale of manufactured drugs are also credited to this minor head.

Reference to pages in the Detailed Budget Estimates of Revenue.

51. *Duties on medicinal and toilet preparations containing alcohol, opium, etc.*—This head consists of two items, namely, spirits used in the manufacture of medicines, etc., and spirits for other commercial, scientific and industrial purposes. The major portion of the receipts under the first item is from imports from other Provinces, while that under the second item is from preparations in this Province.

52. *Hemp and other drugs.*—Under this head are credited receipts on accounts of ganja and bhang. These drugs are manufactured in this Province and stocked in Government storehouses. Ganja is issued for consumption in the Province and in Orissa, Travancore, Cochin, Pudukkottai, Sandur and the French establishments and bhang for consumption in the Province, Orissa, Central Provinces and the Civil and Military Station, Bangalore. Supplies of ganja to Orissa, Travancore, Cochin, Pudukkottai and Sandur are made on payment of cost price, while supplies for consumption in the Province and French establishments are charged duty also. Duty is charged also on supplies of bhang to the Province and the Civil and Military Station, Bangalore; but the duty on hemp drugs is refunded to the French establishments and Bangalore in the succeeding year. Receipts on account of these supplies and licence fees for retail sale of these drugs and for druggists' permits for sale of medicinal preparations of hemp drugs are credited to this head.

53. *Receipts from distilleries.*—These are licence fees for private distilleries and licence fee and rent for the Government distillery at Chowghat in Malabar.

54. *Fines, confiscations and miscellaneous.*—The more common kinds of offences under the abkari laws are illicit distillation of arrack and tapping of toddy; unlicensed possession and sale of such liquors; illicit transport and unlicensed sales; adulteration; dilution; use of false measures; illicit cultivation of opium and hemp plant; smuggling; and offences relating to coca leaf.

All penalties and forfeitures on account of these offences and compounding fees, fees charged for duplicates of licences and passes, duty on excess wastage of liquor and other sundry items, rents of residential buildings, sale-proceeds of dram measures and bungrods, of confiscated opium and of unserviceable stores and materials are credited to this head.

Receipts realized from fees for licences and permits issued under the Madras Prohibition Act, 1937, are also credited to this head, but fines realized in respect of offences under the Act are credited to XXI. Administration of Justice.

55. *Recoveries of overpayments.*—These include recoveries of excess pay and travelling allowance paid to departmental officers.

56. *Collection of payments for services rendered.*—Contributions from contract suppliers towards distillery and warehouse establishments, the recovery of the cost of the staff employed by Government on behalf of private firms for the supervision of spirituous medicinal preparations manufactured by them and the recovery of the leave-salary contributions of officers deputed to other Governments or on foreign service are credited to this head.

57. *Refunds.*—These include remissions in exceptional cases on account of losses sustained by renters and rebates of duty and tree-tax.

EXPLANATION OF VARIATIONS.

58. *Country spirits.*—The increase in the revised estimate is due to larger collections of duty consequent on increased consumption of liquor, offset by decrease under licence fees. The budget estimate for 1941–1942 allows for an increase under licence fees. 3–4

59. *Country fermented liquor.*—The general improvement in seasonal and economic conditions accounts for the increase in the revised estimate for 1940–1941 and the further increase in the budget estimate, for 1941–1942, is due to the expected continuance of the same conditions next year. 3–4

60. *Malt liquors.*—The increase in the estimates is based on the general increase in receipts on account of duty on beer, offset by a decrease under licence fees and gallonage fees. 3–4

61. *Wines and spirits.*—The increase in the revised estimate for 1940–1941 is due to increase in consumption. 3 and 5

Reference to pages in the Detailed Budget Estimates of Revenue.



3 and 6 62. *Opium.*—The decrease in the revised estimate for 1940–1941 is due to a fall in the issue to licensed vendors.

3 and 6 63. *Duties on medicinal and toilet preparations containing alcohol, opium, etc.*—The revised estimate for 1940–1941 includes a special credit of Rs. 1·61 lakhs being the duty for the previous years on medical preparations of the Medical Store Depot of the Defence Department.

3 and 6 64. *Hemp and other drugs.*—The increase in the revised estimate for 1940–1941 is due to increase in consumption.

3 and 7 65. *Fines, confiscations and miscellaneous.*—The increase in the revised estimate for 1940–1941 is due to increased receipts under sale-proceeds of confiscated opium.

3 66. *Refunds.*—The estimates are based on the progress of actuals.

## IX. Stamps.

| Ref. | | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 8–9 | Non-judicial— | | | | |
| | Sale of stamps .. .. .. .. | 71·11 | 69·81 | 77·67 | 77·67 |
| | Duty on impressing documents .. .. | ·78 | ·72 | ·93 | ·93 |
| | Fines and penalties .. .. .. | ·93 | ·95 | ·92 | ·92 |
| | Miscellaneous .. .. .. .. | ·02 | ·02 | ·01 | ·01 |
| | **Total ..** | **72·84** | **71·50** | **79·53** | **79·53** |
| | *Deduct*—Refunds .. .. .. .. | — 1·24 | — 1·19 | — 1·53 | — 1·25 |
| | **Total—Non-Judicial ..** | **71·60** | **70·31** | **78·00** | **78·28** |
| | Judicial— | | | | |
| | Court-fees realized in stamps .. .. | 96·21 | 96·50 | 97·50 | 97·50 |
| | Sale of stamped copy papers .. .. | 7·47 | 7·36 | 7·45 | 7·43 |
| | Fines and penalties .. .. .. | ·03 | ·01 | ·01 | ·02 |
| | Miscellaneous .. .. .. .. | ·01 | ·01 | ·01 | ·01 |
| | **Total ..** | **103·72** | **103·88** | **104·97** | **104·96** |
| | *Deduct*—Refunds .. .. .. .. | — 1·06 | — 1·11 | — 1·00 | — ·85 |
| | **Total—Judicial ..** | **102·66** | **102·77** | **103·97** | **104·11** |
| | **Grand Total ..** | **174·26** | **173·08** | **181·97** | **182·39** |

*Revenue.*

67. The major head IX. Stamps is divided into two sub-major heads:—

Non-judicial.

Judicial.

NON-JUDICIAL.

The following are the particulars of the various minor heads under " Non-Judicial " :—

68. *Sale of stamps.*—The receipts credited to this head are the sale-proceeds of stamp papers of the several monetary denominations, which form the bulk of the receipts, and of all adhesive stamps and engraved or embossed hundi papers, receipts from the other commercial documents enumerated in item 57 of the Federal Legislative List in the Seventh Schedule of the Government of India Act, 1935, namely, promissory notes, bills of lading, letters of credit, policies of insurance, proxies and receipts. The fees realized by means of non-judicial stamps on licences and permits issued by Provincial officers under the Indian Petroleum and Explosives Acts, and the rules thereunder are creditable to Central Revenues. The Government of India have fixed the cost of agency functions as the amount of fees realized on such licences and permits. The net fees realized on

Reference to pages in the Detailed Budget Estimates of Revenue.

this account by means of non-judicial stamps are therefore deducted under this head and credited under the Central head of account "XXXVI. Miscellaneous Departments—Miscellaneous." An equivalent sum representing the payment for agency functions is credited at the same time to the Provincial head of account "L. Miscellaneous Adjustments between the Central and Provincial Governments" by debit to Central accounts—*Vide* paragraph 285 *infra*.

69. *Duty on impressing documents.*—The amounts collected from parties presenting instruments at the Stamp office in the Madras City and other prescribed offices in the mufassal for affixing adhesive stamps and impressing or perforating them are credited to this minor head. The stamp duty on documents voluntarily brought for adjudication (section 31) and duty on unstamped or insufficiently stamped documents levied by the Collectors and Courts under Chapter IV of the Indian Stamp Act are also credited to this minor head.

70. *Fines and penalties.*—When instances of insufficiently stamped or unstamped instruments come to the notice of Civil Courts or Collectors, the proper amount of duty together with a penalty is levied. The amount representing duty is credited to the appropriate minor head, while the penalty is credited to this minor head.

71. *Miscellaneous.*—This includes adjudication fees, recoveries of value of stamps lost, compounding fees collected under section 70 (3) of the Indian Stamp Act and other receipts, such as sale-proceeds of packing boxes, etc.

72. *Refunds.*—Under this head are booked refunds made under the Indian Stamp Act and the rules thereunder of the value of stamps spoiled, rendered useless, misused, or not required for use or returned into store on resignation of the vendor's licence, or on his death or on permission being given to him to return any stamps, and also adjustments on account of refunds of fees realized under the Indian Petroleum and Explosives Acts and the rules thereunder—*Vide* paragraph 68 above.

## JUDICIAL.

The following are the particulars of the various minor heads :—

73. *Court-fees realized in stamps.*—Court-fees including process-fees and fees for attestation of powers-of-attorney by magistrates and record room receipts realized in stamps impressed with the amount are credited to this minor head. Court-fees realized in cash, the amount of which is inconsiderable, are credited to XXI. Administration of Justice.

74. *Sale of stamped copy papers.*—Stamped copy papers are neither non-judicial nor judicial stamps, but are classed as 'judicial' as they are used for transcribing copies of documents for parties in judicial and revenue courts and in public offices. The value impressed on the paper (3 annas) represents the cost of paper and of labour for copying 175 words. The transcription of a document in a stamped copy paper does not exempt it from the liability to be stamped under the Court Fees Act when it is produced before a court or a public office. The sale-proceeds of stamped copy papers are credited to this minor head. Adjustments on account of receipts under the Indian Petroleum and Explosives Acts are also included under this head—*Vide* paragraph 68 above.

75. *Fines and penalties.*—Fines and penalties levied under the Indian Court Fees Act are credited to this head.

76. *Miscellaneous.*—This includes adjudication fees, composition duty and other items, such as the sale-proceeds of packing boxes, etc.

77. *Refunds.*—Under this head are booked refunds of excess fees collected and of the value of spoiled stamps and rebates and reliefs permitted by the Indian Court Fees Act. Adjustments on account of refunds under the Indian Petroleum and Explosives Acts are also shown under this head.

## EXPLANATION OF VARIATIONS.

### *Non-Judicial.*

78. *Sale of stamps.*—The revised and budget estimates are based on the general improvement in the actuals during the course of the year 1940–1941 partly offset by a slight decline on account of the reduction from January 1940, of duty on certain inland bills of exchange of less than one year's usance.

Reference to pages in the Detailed Budget Estimates of Revenue.

9 79 *Duty on impressing documents.*—The increase is due to the correct credit to the head of the amounts collected from parties presenting instruments at the Stamp office in the Madras City and in the Collectorates for affixing adhesive stamps and impressing or perforating them.

9 80. *Refunds.*—The increase is mainly due to larger refunds anticipated under spoiled stamps.

*Judicial.*

8 81. *Court-fees realized in stamps.*—The increase in the revised and the budget estimates is based on the trend of actuals in the year 1940–1941.

9 82. *Refunds.*—The decrease is the net effect of the rise and fall in the anticipated refunds under the several denominations of the Judicial stamps as evidenced by the progress of actuals during 1940–1941.

10-11 **X. Forest.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Timber and other produce removed from the forests by Government agency. | 20·22 | 20·23 | 21·47 | 20·76 |
| Timber and other produce removed from the forests by consumers or purchasers. | 20·03 | 20·28 | 20·85 | 16·30 |
| Drift and waifwood and confiscated forest produce. | ·06 | ·08 | ·07 | ·07 |
| Revenue from forests not managed by Government. | 2·04 | 1·92 | 2·12 | 2·07 |
| Miscellaneous .. .. .. .. | 2·95 | 2·84 | 3·03 | 2·95 |
| **Total ..** | **45·30** | **45·35** | **47·54** | **42·15** |
| *Deduct*—Refunds .. .. .. .. | — ·47 | — ·27 | — ·35 | — ·15 |
| **Grand Total ..** | **44·83** | **45·08** | **47·19** | **42·00** |

*Revenue.*

83. Forests are classified as below :—

Reserved forests and private forests taken on lease under the control of the Forest Department;

Reserved forests managed by specially constituted forest panchayats and commonly known as ryots' forests, and reserved lands under the control of the Revenue Department.

Revenue credited to the several minor heads under the head X. Forest, is as follows.

84. *Timber and other produce removed from the forests by Government agency.*—Under this minor head is credited the revenue derived by extraction direct by the Forest Department of the produce of reserved forests when such departmental extraction is found desirable on a consideration of the value or quantity of the produce and other relevant factors or when there are no contractors and others offering to do the extraction. The main sources are sandalwood, teak and other valuable timber, firewood and charcoal, bamboos, and minor produce such as fodder, tamarind, soapnuts, tanning materials, lac, nux-vomica, spices, honey, elephant tusks, bones, horn, etc.

85. *Timber and other produce removed from the forests by consumers or purchasers.*—The right to extract produce from forests is sold to contractors or consumers when the Forest Department does not consider the produce to be of sufficient importance to require departmental extraction or when non-departmental extraction is considered to be more convenient both to the department and to the consumers, e.g., extraction of timber in limited quantities or areas, firewood and charcoal, bamboos and fodder, auction of grazing rights, quarrying, and collection of tanning materials, manure leaves, etc.

Payments by contractors and consumers are credited to this minor head, and booked separately according as they are in respect of forests under the control of the Forest Department or of the Revenue Department. The revenue from trees and other minor forest produce on unreserved lands hitherto credited under this head will, with effect from 1941–1942, be credited to VII. Land Revenue.

86. *Drift and waifwood and confiscated forest produce.*—Sale-proceeds of drift and waif timber and of confiscated timber and produce of all kinds are credited to this head.

87. *Revenue from forests not managed by Government.*—Revenue derived by Government from forests transferred to the control of forest panchayats is credited to this minor head. The Government revenue is restricted to that derived from the sale of major fuel coupes and the rent levied from the panchayats. All other receipts from these forests, such as grazing fees, removal of leaves for manure and of dead trees, quarrying, etc., are appropriated direct by the panchayats and do not pass through this head. When, as a result of adverse seasonal conditions, a panchayat is not able to realize the grazing fees in full or when, as a result of fodder scarcity, a panchayat forest is thrown open to free or concessional grazing otherwise than on the initiative of the panchayats, or when the Government direct that grazing fees should be reduced, a portion of the rent payable by the panchayat is remitted.

Compounding fees collected in respect of offences committed in these forests are also credited to this minor head. A moiety of the fees collected in respect of offences which are reported by each panchayat is given to it as a grant and debited to 10. Forest—Conservancy and Works—Forest Panchayats.

88. *Miscellaneous.*—All revenue which does not fall under any other head is credited to this head. The chief sources are fees levied on time-expired permits, penalties for breaches of contract levied from contractors, rents of departmental buildings, forest rest-houses and land under temporary cultivation, fees on registration of property marks, sale-proceeds of surplus and unserviceable stores and elephants and other animals, compounding fees in respect of forest offences except those in panchayat forests reported by the panchayats, receipts on account of cattle straying in forest areas and consequently impounded, compensations for damage awarded by courts, fees for shooting licences, pilgrim fees collected in the Nallamalais, hire of the Forest Department's boats and animals, sale-proceeds of forest lands and buildings and of confiscated implements and other articles which are not forest produce, contributions from local bodies or private individuals and owners of private forests for the construction or maintenance of forest roads, contributions towards the leave salary of forest officers on foreign service, recoveries of advance payments and fees for fishing licences.

89. *Refunds.*—Refunds of forest revenue collected either erroneously or in excess are shown under this head.

## EXPLANATION OF VARIATIONS.

90. *Timber and other produce removed from the forests by Government agency.*—The increase in the revised estimate for 1940–1941 is chiefly due to (i) the sale of larger quantities of timber and of teak poles to the Defence Department, (ii) realization in the current year of the balance of the proceeds of rosewood planks sold during last year to the Defence Department, (iii) larger quantity of sandalwood sold in the current year and (iv) the departmental manufacture of charcoal in certain divisions. The budget estimate for 1941–1942 does not anticipate departmental fellings on a considerable scale for supply of timber to the Defence Department. 10

91. *Timber and other produce removed from the forests by consumers or purchasers.*—The increase in the revised estimate for 1940–1941 is due chiefly to better prices realized for firewood, charcoal and bamboo coupes. With effect from 1941–1942 the revenue from trees and other minor forest produce on unreserved lands, hitherto included under this head, will be credited to VII. Land Revenue. The decrease in the budget estimate is due to this change in classification. 10–11

92. *Revenue from forests not managed by Government.*—The increase in the revised estimate for 1940–1941 is due to increased receipts from Forest Panchayats. 10–11

93. *Miscellaneous.*—The revised estimate for 1940–1941 takes credit for the recovery from the Hyderabad State of the cost of training of one of its Divisional Forest Officers and also for the recovery from the War Supply Department, of the expenditure on travelling allowances of officers employed during 1939–1940 on passing timber for war purposes. 10–11

No such special credits are expected next year.

94. *Refunds.*—The decrease in the budget estimate for 1941–1942 is due to the fact that refunds made by Revenue officers in respect of revenue realised from timber and other minor produce on unreserved lands will, with effect from 1941–1942, be shown under VII. Land Revenue. 10–11

## XI. Registration.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Fees for registering documents .. .. .. .. | 23·97 | 24·10 | 27·50 | 27·60 |
| Fees for copies of registered documents .. .. | ·63 | ·61 | 1·01 | 1·07 |
| Miscellaneous .. .. .. .. | 8·44 | 8·49 | 9·24 | 9·31 |
| **Total ..** | **33·04** | **33·20** | **37·75** | **37·98** |
| *Deduct*—Refunds .. .. .. .. | — ·08 | — ·06 | — ·06 | — ·06 |
| **Grand Total ..** | **32·96** | **33·14** | **37·69** | **37·92** |

*Revenue.*

95. Fees and other receipts collected by the Registration Department are in respect of the following :—

(1) Registration of documents ;

(2) Making or granting copies of reasons, entries, or documents, including fees on applications for copies and for comparing and certifying copies printed at the expense of an applicant ;

(3) Searching the registers ;

(4) Authentication of powers-of-attorney ;

(5) Issue of processes and commissions ;

(6) Filing translations, applications and appeals ;

(7) Attending at private residences ;

(8) Safe custody and return of documents including postage charges for return ;

(9) Deposit and withdrawal of sealed covers containing wills ;

(10) Rents from residential buildings, recoveries of overpayments, if any, in previous years, of cost of special staff employed at the request of parties, and of leave contributions of officers on foreign service, sale-proceeds of unserviceable stores and materials, fees for transmission of notices presented with documents under the Madras Estates Land Act and other items.

Item (1) is credited to the minor head Fees for registering documents, item (2) to the minor head Fees for copies of registered documents and all other items to the minor head Miscellaneous.

EXPLANATION OF VARIATIONS.

12 96. *Fees for registering documents.*—The increase in the revised estimate for 1940–1941 is due mainly to an increase in the number of registrations as a result of general improvement in conditions. The budget estimate for 1941–1942 takes credit for a slight growth of revenue.

12 97. *Fees for copies of registered documents.*—The increase in the revised estimate for 1940–1941 and the budget estimate for 1941–1942 is due to the enhancement from the 1st June 1940 of the rate of copying fees.

12 98. *Miscellaneous.*—The increase in the revised estimate for 1940–1941 is due chiefly to the increase in Search fees consequent on the larger number of registrations. The enhancement of postage rates accounts for the small further increase under Fees for the return of documents in the budget estimate for 1941–1942.

13 **XII. Receipts under Motor Vehicles Acts.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Receipts under the Indian Motor Vehicles Act. | 5·12 | 5·42 | 5·03 | 5·03 |
| Receipts under the Provincial Motor Vehicles Taxation Act .. .. .. | 75·81 | 78·00 | 74·80 | 74·80 |
| Fees and other receipts .. .. .. | ·37 | ·01 | ·04 | ·02 |
| **Total ..** | **81·30** | **83·43** | **79·87** | **79·85** |
| *Deduct*—Refunds .. .. .. | — ·80 | — ·78 | — ·78 | — ·76 |
| **Grand Total ..** | **80·50** | **82·65** | **79·09** | **79·09** |

*Revenue.*

99. Taxes and fees levied under the Madras Motor Vehicles Taxation Act, 1931, as amended by the Madras Traffic Control Act, 1938, the Motor Vehicles Act, 1939, and the rules issued thereunder are credited to this major head.

100. *Receipts under the Indian Motor Vehicles Act.*—Fees levied in pursuance of rules made under the Motor Vehicles Act, 1939, are credited to this minor head. The main items are—

Fees for registration and for transfer of ownership or possession of motor vehicles ; for trade certificates issued to manufacturers, dealers and repairers ; for licences to undergo instruction in motor driving ; for licences and badges to drivers ; for permits for transport vehicles ; for certificates and badges issued to conductors in buses ; fees for certificates of fitness of transport vehicles ; and fees levied from applicants for posts of inspector of motor vehicles. Fees for furnishing extracts to trading firms from the register of motor vehicles are also credited to this head.

101. *Receipts under the Provincial Motor Vehicles Taxation Act.*—The Madras Motor Vehicles Taxation Act, 1931, substituted a provincial tax on motor vehicles for all tolls levied by the Government and by local bodies and the tax on motor vehicles levied by local bodies before the commencement of the Act, and provided for the distribution of the proceeds of the provincial tax. By the enactment of the Madras Traffic Control Act, 1938, the fees levied in addition to the permit fee under the Indian Motor Vehicles Act, 1914, on motor vehicles plying on Government roads and the fees on licences granted to motor vehicles by local bodies under the Madras Local Boards Act, 1920, and the Madras District Municipalities Act, 1920, were abolished. To make good this loss in revenue the provincial motor vehicle taxation was enhanced to the necessary extent. From the proceeds of the tax collected every year, the following payments are made (after allowing for refunds of tax) :—

(1) to the Government are credited (*a*) the expenses of collecting the tax and of exercising their administrative functions in regard to the control of motor vehicles, and (*b*) a sum equivalent to the average annual income derived by them from fees levied under the Indian Motor Vehicles Act, 1914, on motor vehicles plying on Government roads during the three years ending the 31st March 1938 and from tolls levied by them during the three years ending the 31st March 1931 ; and

(2) to each district board and municipal council is credited a sum equivalent to its average annual income from fees on licences granted to motor vehicles during the three years ending the 31st March 1938 and from tolls and/or vehicles tax levied by it during the three years ending the 31st March 1931.

If in any year, the proceeds of the tax, after deducting the amounts other than toll compensations referred to in items (1) and (2) above fall short of the aggregate of the sums payable to local bodies and the Government on account of toll compensations, such proceeds are distributed proportionately to the amount determined as available by the Government, the deficit being made good in the same proportion in the earliest subsequent year or years in which there may be a surplus.

The expenditure incurred in administering the Acts and on the collection of the tax and the payments on account of the share of local bodies are debited to the corresponding expenditure head 12. Charges on account of Motor Vehicles Acts.

102. *Fees and other receipts.*—Fees for weighing private motor vehicles at the weighing machines installed by the Government and sundry receipts, e.g., recoveries of overpayments, etc., are credited to this minor head.

## Explanation of variations.

103. *Receipts under the Indian Motor Vehicles Act and the Provincial Motor Vehicles Taxation Act.*—Owing to the high price of petrol and war conditions, the number of motor vehicles paying tax has fallen and this accounts for the decrease in the estimates. 13

Reference to pages in the Detailed Budget Estimates of Revenue.

14–16



## XIII. Other Taxes and Duties.

| — | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Taxes on luxuries including taxes on entertainments, amusements, betting and gambling— | | | | |
| Entertainments tax .. .. .. | 8·13 | 10·50 | 12·51 | 12·51 |
| Betting tax—Totalizator .. .. .. | 1·54 | 1·26 | 1·00 | 1·00 |
| Betting tax—Book-makers .. .. | ·12 | ·09 | ·03 | ·03 |
| *Deduct*—Refunds .. .. .. .. | — ·02 | — ·04 | — ·03 | — ·03 |
| **Total** .. | **9·77** | **11·81** | **13·51** | **13·51** |
| Receipts from electricity duties— | | | | |
| Fees under the Indian Electricity Rules, 1922, and fees for the electrical inspection of cinemas .. | ·59 | ·56 | ·49 | ·49 |
| Other receipts { Receipt from the Madras Electricity Duty Act, 1939 .. | 5·00 | 5·00 | 6·25 | 6·10 |
| Other receipts { Fees for the use of Government water for generation of electricity .. .. | ·08 | ·21 | ·21 | ·21 |
| *Deduct*—Refunds .. .. .. .. | — ·05 | — ·01 | — ·03 | — ·01 |
| **Total** .. | **5·62** | **5·76** | **6·92** | **6·79** |
| Receipts from tobacco duties— | | | | |
| Receipts under the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939 .. .. | 13·08 | 18·00 | 22·68 | 22·83 |
| *Deduct*—Refunds .. .. .. .. | — ·05 | — ·02 | — ·13 | — ·13 |
| **Total** .. | **13·03** | **17·98** | **22·55** | **22·70** |
| Other items— | | | | |
| Receipts under the Madras Regulation of the Sale of Cloth Act, 1937 .. .. .. | 1·14 | 1·11 | 1·00 | 1·00 |
| Receipts under the Madras Sales of Motor Spirit Taxation Act, 1939 .. .. .. | 15·77 | 16·36 | 16·00 | 16·00 |
| Receipts under the Madras General Sales Tax .. | 33·99 | 34·50 | 68·65 | 60·00 |
| *Deduct*—Refunds .. .. .. .. | — ·04 | — ·06 | — 1·43 | — 1·03 |
| **Total** .. | **50·86** | **51·91** | **84·22** | **75·97** |
| **Grand Total** .. | **79·28** | **87·46** | **127·20** | **118·97** |

*Revenue.*

104. *Entertainments Tax.*—The Madras Entertainments Tax Act, 1939, provides for the levy by the Provincial Government of a tax on amusements and other entertainments, for the repeal of the Local Authorities Entertainments Tax Act, 1926, and for the payment by way of compensation to local authorities, which were in receipt of an income from the tax levied under the old Act during any part of the three years preceding the 1st April 1939, of a sum equivalent to the average net annual income. The new Act requires every proprietor of an entertainment to levy the tax at the prescribed rate on all payments for admission to any entertainment in respect of which the tax is payable and to pay the amount to the Provincial Government. The payment may be made either by means of—

(1) entertainment tax stamps to be affixed to all tickets, or

(2) when so permitted, by payment according to returns to be furnished of the number of tickets issued or of the admissions effected by turnstiles.

The tax payable can be compounded for a fixed sum and payment may also be made at such percentage of the gross proceeds as may be fixed by the competent authority. The fines, penalties and compounding fees for offences levied under the Act are also credited to this head.

The commission payable to municipalities and the Madras Corporation for thd administration of the Act, and cost of manufacture of Entertainment Tax stamps ane freight are debited to the head 13. Other Taxes and Duties. The compensation payable to the local authorities, is debited to 57. Miscellaneous—see paragraph 718.

Reference to pages in the Detailed Budget Estimates of Revenue.

105. *Betting Tax.*—The Madras Betting Tax Act, 1935, which is at present in force in respect of the race meetings at Guindy (in the Chingleput district) and Ootacamund (in the Nilgiri district), authorizes the levy of the following taxes:—

(1) On backers in respect of all moneys paid by them into any totalizator by way of stakes or bets;

(2) On book-makers in respect of all moneys (exclusive of the amount of bets) paid or agreed to be paid by them to backers.

The maximum rate of tax in both cases is 4 per cent of every sum paid into the totalizator and of every sum paid out by book-makers. In respect of race meetings at Guindy the tax was levied at $1\frac{1}{4}$ per cent in 1935–1936 and 1936–1937, at $2\frac{1}{2}$ per cent in 1937–1938 and 1938–1939 and is levied at $3\frac{1}{8}$ per cent from 1939–1940; while in respect of race meetings at Ootacamund the tax is being levied at $1\frac{1}{4}$ per cent from 1939–1940.

106. *Receipts from Electricity Duties—Fees under the Indian Electricity Rules and fees for the electrical inspection of cinemas.*—Fees for meter test and arbitration and for technical advice to local bodies, licence and inspection fees leviable under the Indian Electricity Act and Rules, and fees under the Cinematograph Rules for electrical inspection of cinemas are credited under this head.

107. *Receipts from Electricity Duties—Other receipts.*—Under the Madras Electricity Duty Act, 1939, every electric supply licensee in this Province is required to pay every month a duty calculated at the rate of six pies per unit in respect of all sales of energy effected during the previous month at a price not less than two annas a unit. Licensees whose total sales do not exceed 16,666 units per month or 200,000 units per annum are exempted from payment of the duty. The royalty collected from the Mysore Government for the utilization of the Cauvery water at Sivasamudram for generation of electricity and the charges levied for water taken for power houses in some estates in the Coimbatore and Nilgiri districts are also credited to this head.

108. *Receipts under the Madras Tobacco (Taxation of Sales and Licensing) Act,* 1939. —The Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, provides for the levy of a tax on the sale of tobacco and the licensing of trade therein in the Province of Madras. Under the Act every person who sells or exposes for sale any manufactured tobacco in retail or sells tobacco in any form wholesale or otherwise carries on business as a wholesale dealer, manufacturer, broker or commission agent, is required to obtain an annual licence for each shop or place of business, but a grower may without licence or restriction sell as leaf any tobacco grown or cured by him for the purpose of marketing it as leaf. Retail dealers are not liable to payment of any fee for their licences. The fee for the grant or renewal of licences in respect of others varies according to the nature and turnover of the business.

Dealers in manufactured tobacco, whether retail or wholesale, are required to pay a tax in each year calculated on their turnover but persons who prepare manufactured tobacco of value not exceeding one thousand rupees in a year for the purpose of supplying to wholesale dealers are not liable to such tax. In the case of wholesale dealers the tax is two per cent on the turnover, while in the case of retail dealers it varies according to turnover, being six rupees per annum if the annual turnover does not exceed two hundred rupees, twelve rupees if the turnover exceeds two hundred rupees but does not exceed four hundred rupees and three per cent on the first four hundred rupees and ten per cent on the remainder of turnover if the turnover exceeds four hundred rupees. The licence fees and the tax under the Act including the fines, forfeitures and compounding fees for offences are credited to this minor head.

109. *Receipts under the Madras Regulation of the Sale of Cloth Act,* 1937.—Under the Madras Regulation of the Sale of Cloth Act, 1937, all dealers in cloth or in articles of wearing apparel made of cloth are required to obtain an annual licence for each shop or place of business, but a hawker is liable to obtain only one licence annually whatever his area of operations may be. The licences granted under the Act expire on the last day of the financial year for which they are granted but may be renewed from year to year. Licensees dealing exclusively in cloth woven on handlooms or articles of wearing apparel made therefrom are exempt from the payment of any fee for their licences. The fee for the grant or renewal of the licences in respect of others is two rupees where the monthly turnover of business does not exceed three thousand rupees, and five rupees where such monthly turnover exceeds three thousand rupees. These fees are credited to this minor head. The fee for a financial year is payable in advance in the preceding year.

Reference to pages in the Detailed Budget Estimates of Revenue.

110. *Receipts under the Madras Sales of Motor Spirit Taxation Act,* 1939.—The Act provides for the levy of a tax on retail sales of motor spirit in the Province of Madras. Every registered retail dealer is required to pay on all retail sales of motor spirit a tax, in the case of petrol at the rate of one anna and six pies per gallon, and in the case of any motor spirit other than petrol at the rate of six pies per gallon. The Government may fix from time to time by notification published with the previous approval of the Legislative Assembly any other rate at which the tax shall be payable. The tax levied under the Act, including fines, penalties and compounding fees is credited to this head.

111. *Receipts under the Madras General Sales Tax.*—The Madras General Sales Tax Act, 1939, authorizes the levy of a general tax on the sale of goods other than electrical energy, motor spirit, manufactured tobacco and any goods on which duty is or may be levied under the Madras Abkari Act, 1886, or the Opium Act, 1878. The tax is calculated on the turnover of business. Dealers whose turnover in any year is less than ten thousand rupees are not liable to pay the tax. Others have to pay the tax which is five rupees per month if the turnover does not exceed twenty thousand rupees, while, if the turnover exceeds twenty thousand rupees, the tax is levied at one-half of one per cent of such turnover. These rates have however been temporarily reduced to four rupees if the turnover does not exceed Rs. 20,000 and to one-quarter of one per cent if the turnover exceeds that limit. In the case of hides and skins, the tax is leviable only at such single point in the series of sales by successive dealers as may be prescribed, subject to restrictions and conditions as to licences and licence fees.

Sales by licensed dealers of certain articles such as bullion and specie are exempted from the payment of the tax. Licences for this purpose are granted on payment of an annual fee. In the case of certain finished articles of industrial manufacture a rebate of one-half of the tax levied on sales of such articles for delivery outside the Province is allowed.

The Act also provides for the grant of licences, on payment of licence fees, to persons who buy or sell on behalf of known principals and for the exemption from the payment of tax of such of their transactions as are carried out in accordance with the terms and conditions of the licence. The tax and licence fees levied under the Act including fines, penalties and compounding fees are credited to this minor head.

## Explanation of variations.

14–15 112. *Entertainment tax.*—The estimates are based on the actual collections to the end of November 1940 which indicate an increase.

14–15 113. *Betting tax—Totalizator.*—The receipts show a decrease on account of the war and the grant of exemptions for race meetings in aid of His Excellency the Governor's War Fund.

14–15 114. *Receipts from electricity duties—Other receipts.*—The revised estimate for 1940–1941 allows for an increase in receipts under the Madras Electricity Duty Act, 1939, based on the collections to the end of November 1940. It is proposed to amend the Act to provide for exemption from duty of electricity sold to the Central Government, a Federal Railway Authority or a Railway Company operating a Federal Railway. The budget estimate for 1941–1942 allows for this exemption.

14 and 16 115. *Receipts under the Madras Tobacco (Taxation of Sales and Licensing) Act,* 1939.—The revised estimate for 1940–1941 is based on the actual collections to the end of November 1940. The budget estimate for 1941–1942 allows for a small increase in receipts under licence and permit fees.

14 116. *Refunds.*—The increase in the estimates is due to the refund of excess collections in cases where the final assessments are found to be less than the provisional assessments.

14 117. *Receipts under the Madras Regulation of the Sale of Cloth Act,* 1937.—The estimates are based on the actuals.

14 and 16 118. *Receipts under the Madras Sales of Motor Spirit Taxation Act,* 1939.—The decrease in the estimates is due to the reduction in consumption of petrol consequent on rise in the price and the reduction in the number of motor vehicles.

14 and 16 119. *Receipts under the Madras General Sales Tax.*—The Madras General Sales tax was introduced only in October 1939 and at the time of framing the budget estimate for 1940–1941, there was little information on which to base it. The increase in the revised

Reference to pages in the Detailed Budget Estimates of Revenue.

estimate for 1940-1941 is due to collection of the tax due for March 1940 at the unreduced rate and of the balance of tax for 1939-1940 based on the final assessment of the turnover for the year at the unreduced rate. The budget estimate for 1941-1942 allows for the collection of the tax at the reduced rate.

120 *Refunds.*—The increase in the revised estimate for 1940-1941 is due to the refund of excess collections mainly under the Madras General Sales tax in cases where the final assessments are found to be less than the provisional assessments. 14 and 16

### Irrigation, Navigation, Embankment and Drainage Works—Gross Receipts.

121. Irrigation, navigation, embankment and drainage works are classified in the accounts either as works for which capital accounts are kept or as works for which no capital accounts are kept—see paragraph 340.

Revenue accruing on account of these works is classified as follows :—

(1) Indirect receipts representing the portion of land revenue due to irrigation works, which is collected by the Revenue Department, initially credited to VII. Land Revenue and subsequently transferred to the Irrigation Revenue heads—see paragraph 37.

(2) Direct receipts collected by the Irrigation Department.

These direct receipts represent sale-proceeds of water sold for irrigation purposes and collected otherwise than as part of the land revenue demand and of water sold for domestic consumption in towns and to railways, factories, mills, etc. ; receipts by the sale of the produce of regular plantations on canal banks and of wood, grass, etc., from other than regular plantations ; navigation receipts, such as from transit dues, transport profits and tolls and hire of ferry boats ; rents realized from canal berms and from buildings, furniture and other special amenities ; recoveries of expenditure from cultivators and others, e.g., for kudimaramat works executed by the Irrigation or Revenue Department ; and miscellaneous receipts, e.g., from sale of drift wood and of unserviceable or surplus stores and materials, confiscated deposits, etc.

### XVII. Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—Gross Receipts. 17-22

| | Accounts, 1939-1940. | Budget Estimate, 1940-1941. | Revised Estimate, 1940-1941. | Budget Estimate, 1941-1942. |
|---|---|---|---|---|
| Irrigation works— | | | | |
| Productive .. .. .. .. | 4·60 | 4·54 | 4·81 | 4·61 |
| Unproductive .. .. .. .. | ·47 | ·66 | ·70 | ·67 |
| Portion of land revenue due to irrigation (Productive and Unproductive) .. .. | 133·50 | 145·87 | 142·10 | 142·40 |
| Navigation, embankment and drainage works— | | | | |
| Unproductive .. .. .. .. | 1·08 | 1·07 | 1·09 | 1·08 |
| **Total ..** | **139·65** | **152·14** | **148·70** | **148·76** |

*Revenue.*

122. *Irrigation works—Productive.*—The major portion of the receipts accrues from the Godavari, Kistna and Cauvery delta systems, the Cauvery-Mettur Project areas and the Periyar system.

123. *Unproductive.*—The Madras Water-supply and Irrigation system, the Kurnool-Cuddapah canal and the Kanniyampalayam anicut in Coimbatore contribute the major portion of the receipts under this head.

124. *Navigation, embankment and drainage works.*—Nearly the whole of the revenue accrues from the Buckingham canal, that from the Vedaranniyam canal being negligible.

Explanation of variations.

125. *Irrigation works—Productive.*—The increase in the revised estimate for 1940-1941 is due chiefly to the adjustment to this head of the cost of a grab dredger transferred from the Kistna delta system to the Chingleput division for use on the Buckingham Canal and also to larger revenue from the lease of lands, etc., at the Mettur headworks. The budget estimate for 1941-1942 excludes the special item of credit relating to the dredger. 18 and 19

126. *Portion of land revenue due to irrigation.*—The variations have been explained in paragraph 42. 18 and 20

Reference to pages in the Detailed Budget Estimates of Revenue.



23–25

## XVIII. Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Irrigation works— | | | | |
| Public Works department .. .. .. | ·69 | ·59 | ·59 | ·55 |
| Minor Irrigation .. .. .. .. | ·58 | ·52 | ·54 | ·52 |
| Portion of land revenue due to Irrigation .. | 76·18 | 81·24 | 80·82 | 81·61 |
| Navigation, embankment and drainage works .. | ·87 | ·83 | ·76 | ·76 |
| Total .. | **78·32** | **83·18** | **82·71** | **83·44** |

*Revenue.*

127. *Irrigation works—Public Works Department.*—The main items of receipts are on account of water taken by the Madura Mills Company and other mills and railways and from sale of canal produce.

128. *Minor irrigation.*—These works are under the control of the Revenue Department and the main items of receipt are recoveries on account of kudimaramat work and from sale of water to railways, mills, etc.

129. *Navigation, embankment and drainage works.*—The receipts accrue mainly from the river conservancy divisions and the West Coast and Dummagudem canals.

EXPLANATION OF VARIATIONS.

24 130. *Portion of land revenue due to irrigation.*—The variations have been explained in paragraph 42.

## XX. Interest.

26–28

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Interest on loans and advances by Provincial Government. | 20·88 | 22·11 | 23·11 | 23·09 |
| Interest on arrears of revenue .. .. | ·67 | ·44 | ·26 | ·26 |
| Interest realized on investments of cash balances. | 1·81 | ·15 | 1·01 | 1·00 |
| Miscellaneous .. .. .. .. | ·01 | ·01 | ·01 | ·01 |
| Receipts in England .. .. .. | .. | .. | ·01 | ·01 |
| Total .. | **23·37** | **22·71** | **24·40** | **24·37** |
| *Deduct*—Refunds .. .. .. .. | — ·02 | — ·02 | — ·04 | — ·04 |
| Grand Total .. | 23·35 | 22·69 | 24·36 | 24·33 |

*Revenue.*

131. *Interest on loans and advances by Provincial Government.*—Interest on the outstanding principal of loans advanced by the Government to local bodies, cultivators, co-operative societies and land mortgage banks and others for various purposes and to Government servants for the purchase of conveyances, typewriters and passages is credited to this minor head. The mode of liquidation generally adopted in the case of loans other than those to Government servants is the equated payment system, according to which the number of years in which the loan should be repaid is first settled and the annual or half-yearly instalment towards the payment of interest and principal is then fixed. That portion of the periodic instalment which represents the interest on the outstanding principal at the time of each payment is credited to this head and the balance is taken as a receipt under the Debt head Loans and Advances by the Provincial Government. Interest at penal rates is ordinarily levied on all overdue instalments.

Normally, the receipts under the head Interest on account of these loans should decline in proportion to the amount of principal after each periodic instalment but this is usually more than made up by interest accruing from new loans advanced from year to year, though the fall in interest rates has tended to retard this growth.

Reference to pages in the Detailed Budget Estimates of Revenue.

As regards advances to Government servants, the period of repayment of the principal is fixed as also the amount of the instalments. All repayments until the amount advanced is liquidated are credited in reduction of the principal, and interest, calculated at simple interest rates on the amount of principal outstanding after each instalment, is collected thereafter in one or more instalments.

132. *Interest on arrears of revenue.*—Interest levied on overdue payments of Government demands, such as land revenue, excise, forest and other heads, is credited to this minor head.

133. *Interest realized on investments of cash balances.*—Up to the year 1936–1937 it was open to Provincial Governments to invest their surplus balances with the Government of India. From 1937–1938, such investment may be only in treasury bills or other securities. Interest derived from such investments of surplus balances other than those relating to specially constituted funds, such as the Famine Relief Fund, Loan Sinking Fund, Electricity Reserve Funds, etc., in Government securities (other than Madras Government securities) is credited to this head.

134. *Miscellaneous.*—Interest allowed by courts on amounts decreed in favour of the Government and interest levied on purchase money of waste lands collected in instalments and of jail and other manufactures not paid for within the time allowed and interest on other accounts are credited to this minor head.

EXPLANATION OF VARIATIONS.

135. *Interest on loans and advances by Provincial Government.*—The increase in the revised estimate for 1940–1941 is due chiefly to larger recoveries from cultivators on account of loans granted to them under the Agriculturists' Loans Act and the Land Improvement Loans Act, owing to the favourable season. 26–27

136. *Interest on arrears of revenue.*—The decrease in the revised estimate for 1940–1941 is due to the non-realization of interest on arrears of peshkash due from a zamindari for which credit was taken in the budget. 26 and 28

137. *Interest realized on investments of cash balances.*—The increase in the revised estimate for 1940–1941 is due to the larger amount invested in Central Government treasury bills. 26

## XXI. Administration of Justice. 28–29

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Sale-proceeds of unclaimed and escheated property. | ·07 | ·08 | ·08 | ·08 |
| Court-fees realized in cash .. .. .. | 1·95 | 1·88 | 2·05 | 2·00 |
| General fees, fines and forfeitures .. .. | 13·45 | 13·09 | 14·33 | 13·52 |
| Miscellaneous fees and fines .. .. .. | ·95 | ·78 | ·83 | ·94 |
| Recoveries of overpayments .. .. .. | ·04 | ·06 | ·06 | ·06 |
| Collection of payments for services rendered .. | ·25 | ·20 | ·20 | ·20 |
| Miscellaneous (including receipts in England) .. | 1·62 | 1·50 | 1·16 | 1·65 |
| **Total ..** | **18·33** | **17·59** | **18·71** | **18·45** |
| *Deduct*—Refunds .. .. .. .. | — ·68 | — ·74 | — ·90 | — ·70 |
| **Grand Total ..** | **17·65** | **16·85** | **17·81** | **17·75** |

*Revenue.*

138. *Sale-proceeds of unclaimed and escheated property.*—The sale-proceeds of the unclaimed personal property of persons who die intestate and without heirs and of real property escheated to the Government under the Madras Endowments and Escheats Regulation, 1817, and section 174 of the Government of India Act, 1935, are credited to this head.

139. *Court-fees realized in cash.*—The receipts under this head are mainly process servers' and amins' fees, court-fees realized by village courts, recoveries on account of pauper suits, and fees collected by civil officers for attesting powers-of-attorney.

Reference to pages in the Detailed Budget Estimates of Revenue.



140. *General fees, fines and forfeitures.*—Under this head are credited—

(*a*) fees collected for the translation and printing work connected with suits and cases in the High Court and Privy Council appeals ;

(*b*) fines imposed and realized by magisterial and judicial officers, including those which under specific enactments or at the discretion of the Government are paid over to local bodies, branches of the Society for the Prevention of Cruelty to Animals and others ;

(*c*) forfeitures of bail bonds ; and

(*d*) sale-proceeds of confiscated properties and other articles which remain unclaimed in courts.

The amounts due to local bodies in respect of fines are debited to 27. Administration of Justice—Presidency Magistrates' Courts and Criminal Courts, as and when they are paid over to them.

141. *Miscellaneous fees and fines.*—The fees and commission of the Administrator-General and Official Trustee and the Official Receiver of the High Court, deposits towards the travelling and other expenses of Government servants who are summoned to give evidence in their official capacity in cases to which the Government are a party, fees received by Government officers for performing duties as notaries public, petroleum and cinema licence fees, fees for enrolment as pleaders and advocates and for applications for posts in the Judicial Department the recruitment for which has been excluded from the purview of the Public Service Commission and cash receipts of record-rooms in offices of which the cost is debited to the head 27. Administration of Justice, are credited to this minor head.

142. *Recoveries of overpayments.*—Recoveries of pay and allowances overpaid in previous years are credited to this minor head.

143. *Collection of payments for services rendered.*—The rent collected by the High Court for the use of fans, etc., in the chambers occupied by advocates and others in the High Court buildings and leave contributions in respect of officers of the Judicial Department on foreign service and district judges doing judicial duties in the Sandur State and in the Residents' courts at Secunderabad and Bangalore are credited to this minor head.

144. *Miscellaneous.*—Sale-proceeds of old stores and materials, commission realized from estates administered by official receivers, lapsed deposits of official receivers and cash receipts under the Indian Arms Act, 1878, realized by District Magistrates are the chief items that are credited to this minor head.

145. *Refunds.*—Refunds of fines ordered on appeals or by other competent authorities and of translation and printing and other fees collected in excess are the chief items.

## Explanation of variations.

28 146. *Court-fees realized in cash.*—The estimates are based on the progress of actuals in the current year.

29 147. *General fees, fines and forfeitures.*—The actual realizations in the current year exceed budget anticipations. The budget estimate for 1941–1942 anticipates normal receipts.

29 148. *Miscellaneous fees and fines.*—The increase in the budget estimate for 1941–1942 is due mainly to credit having been taken for the commission and fees chargeable by the Official Receiver of the High Court for work connected with the liquidation of companies.

29 149. *Miscellaneous.*—The scheme for the provincialization of the posts of official receivers in the mufassal was expected to come into force in the current year and credit was taken in the budget estimate for 1940–1941 for the commission chargeable by the official receivers. The scheme is, however, likely to come into force only from next year and this fact accounts mainly for the variations in the estimates.

29 150. *Refunds.*—The increase in the revised estimate for 1940–1941 occurs mainly under refunds of translation and printing fees and other items. The budget estimate for 1941–1942 provides for normal requirements.

Reference to pages in the Detailed Budget Estimates of Revenue.

## XXII. Jails and Convict Settlements.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | Reference |
|---|---|---|---|---|---|
| | | | | | 30 |
| Jails .. .. .. .. .. | ·55 | ·48 | ·49 | ·49 | |
| Jail manufactures .. .. .. .. | 5·69 | 5·20 | 5·73 | 5·73 | |
| Recoveries of overpayments .. .. ... | ·02 | ·02 | ·05 | ·03 | |
| Collection of payments for services rendered .. | ·07 | ·05 | ·06 | ·06 | |
| Total .. | 6·33 | 5·75 | 6·33 | 6·31 | |

*Revenue.*

151. *Jails.*—Recoveries on account of convicts hired to Government departments (the branch press and the quinine packing section in the Penitentiary, the Public Works Department, etc.), railway companies and others, and of the transportation and maintenance charges of prisoners of other Provinces and Indian States confined in the jails of this Province ; recoveries of maintenance charges of juvenile offenders of the Civil and Military Station, Bangalore, in certified schools and of adolescent offenders of the same station and those from the British Administered areas in the Hyderabad State in the Borstal schools ; rents of buildings and miscellaneous receipts, such as the sale-proceeds of the surplus garden and dairy produce of jails and livestock and of old stores and materials are credited to this minor head.

152. *Jail manufactures.*—Receipts from the Cinchona Department on account of the packing and distribution of quinine in the Penitentiary and sale-proceeds of articles produced in the manufacturing departments of jails, which are purchased mostly by the Forest, Police, Stationery, Posts and Telegraphs and Defence Departments, are credited to this head. But the value of articles manufactured in one jail and supplied to another within the Province is adjusted in reduction of the expenditure in the manufacturing jail.

The receipts from these manufactures are counterbalanced by expenditure involved in their production which is debited to the expenditure head 28. Jails and Convict Settlements—Jail manufactures, except to the extent representing the percentage charged as profits of the Jail Department.

153. *Collection of payments for services rendered.*—The pay and allowances of the staff employed in the district jail at Secunderabad and paid in the first instance from Provincial revenues and debited to 28. Jails and Convict Settlements—District and Special Jails, are subsequently recovered from the Secunderabad Local Fund. Such recoveries are credited to this head, recoveries representing pensionary contributions being credited to the head XLIV. Receipts in aid of superannuation. The receipts under this head also include the contribution from the Cinchona department, towards the leave salary of the staff of the quinine manufacture section and the contribution towards the leave salary of officers deputed to other Provinces.

### Explanation of variations.

154. *Jails manufactures.*—The increase in the estimates is due to larger sales of jail manufactured articles, as the Jail Department now keeps articles in stock ready for sale. 30

Reference to pages in the Detailed Budget Estimates of Revenue.

31-32

## XXIII. Police.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Contribution for railway police .. .. | 4·17 | 3·55 | 3·79 | 3·79 |
| Receipts and recoveries on account of Presidency police .. .. .. .. .. | 1·60 | 1·19 | 1·32 | 1·35 |
| Fees, fines and forfeitures .. .. .. | ·31 | ·31 | ·33 | ·33 |
| Recoveries of overpayments .. .. .. | ·14 | ·13 | ·80 | ·13 |
| Collection of payments for services rendered .. | 1·07 | ·26 | ·55 | ·46 |
| Police supplied to railways .. .. .. | −·29 | ·01 | ·02 | ·03 |
| Police supplied to Municipal, Cantonment and Town Funds .. .. .. .. | ·03 | ·03 | ·03 | ·03 |
| Police supplied to Public Departments, private companies and persons .. .. .. | ·31 | ·32 | ·32 | ·32 |
| Cash receipts under the Arms Act .. .. | ·09 | ·08 | ·08 | ·08 |
| Miscellaneous .. .. .. .. | ·31 | ·31 | ·28 | ·28 |
| **Total ..** | 8·32 | 6·19 | 7·52 | 6·80 |
| *Deduct*—Refunds .. .. .. .. | — ·22 | — ·01 | — ·01 | — ·01 |
| **Grand Total ..** | 8·10 | 6·18 | 7·51 | 6·79 |

*Revenue.*

155. The receipts realized by the Police in Madras City and in the districts are booked separately in the accounts, as the Police Force in Madras City is constituted under the Madras City Police Act, 1888, and the Police Force in the districts under the Madras District Police Act, 1859.

156. *Contribution for railway police.*—The contribution payable by the Railway Board under section 187 (3) of the Government of India Act, 1935, and that payable by Indian States towards the cost of 'order' police employed by the Madras Government on company managed railways and on railway lines within the limits of Indian States and the contribution sanctioned by the Crown Representative towards the cost of crime police employed on railway lines passing through Indian States are credited to this head. The amount of the contribution on account of the former is based on the actual expenditure incurred by this Government on the police employed on 'order' duties within the jurisdiction of the two railway police districts in this province, namely, Madras and Trichinopoly. The pensionary contribution collected on this account is credited to the head XLIV. Receipts in aid of superannuation.

157. *Receipts and recoveries on account of Presidency police.*—These comprise hackney carriage fees, licence fees for places of public resort, entertainments, processions and the like, receipts on account of cattle-pounds (which in Madras City are under the control of the police), fees for the censorship of cinema films, recoveries from the Madras Port Trust of two-thirds of the cost of the harbour police and half the cost of the quarantine police, recoveries from the Corporation of Madras on account of the Fire Brigade Staff, sale-proceeds of unclaimed animals, confiscated arms and old stores and materials, receipts from hire to the public of the police motor ambulance, and recoveries on account of police supplied to private bodies and persons in connexion with festivals, etc., and of special police officers or additional police employed under sections 20 and 21 of the Madras City Police Act, 1888.

158. *Fees, fines and forfeitures.*—Receipts realized by the district police are credited to this minor head. The main items are hackney carriage fees and fees collected by the Finger Print Bureau.

159. *Recoveries of overpayments.*—Recoveries of overpayments of pay and allowances, and refunds of the cost of ticket requisitions and passages drawn in excess in previous years are the main items credited to this minor head.

160. *Collection of payments for services rendered.*—Contributions from the Central Government for work done by the Commissioner of Police in connexion with the Hedjaz pilgrimage, the Indian Naturalization Act, 1926, and the British Nationality and Status of Aliens Act, 1914, and recoveries for leave, clothing and other charges for the police

Reference to pages in the Detailed Budget Estimates of Revenue.

employed on Agency functions, contributions from other Governments, Administrations and private bodies in respect of finger-print work done by the Madras Police, recoveries on account of leave and passage contributions of officers of the Police Department on foreign service, and those on account of special and additional police under sections 13 to 15 of the Indian Police Act, 1861, and contributions for the training in the Police Training School at Vellore of officers deputed by Indian States and other Governments, are the main items credited to this minor head.

161. *Police supplied to railways.*—The recoveries on account of Police guards supplied to railways in the districts are credited to this minor head.

162. *Police supplied to Municipal, Cantonment and Town Funds.*—The recoveries in respect of mufassal police guards supplied to municipalities, cantonment and town funds are credited to this minor head.

163. *Police supplied to Public Departments, private companies and persons.*—The recoveries pertaining to the cost of police guards supplied to Port Trusts, Public departments, private companies and persons are credited to this minor head.

164. *Cash receipts under the Arms Act.*—As a result of the entrustment to the Provincial Government of the agency functions under the Indian Arms Act and Rules, the fees realized under the above Act and Rules are credited to this Government under this head for the services rendered by this Government and their officers.

165. *Miscellaneous.*—Under this head are credited—

(*a*) rents realized from police officers for whom residential quarters have been rented by the department;

(*b*) fees paid by applicants for selection as sergeants and sub-inspectors in the regular police and as subadars, jamadars, etc., in the Malabar Special Police;

(*c*) credit allowed by the Defence Department on account of unserviceable articles returned; and

(*d*) sale-proceeds of old stores and materials.

EXPLANATION OF VARIATIONS.

166. *Contribution for railway police.*—Increase mainly due to the annual contribution of ·21 lakh newly sanctioned by the Crown Representative towards the cost of crime police employed on railway lines passing through Indian States. 31

167. *Receipts and recoveries on account of Presidency police.*—The increase is chiefly due to the credit taken in the revised and the budget estimates for a new item of recovery (·06 lakh) from the Corporation of Madras on account of the Fire Brigade staff and to the anticipated recovery from the Government of India on account of the police staff sanctioned for guarding the Madras harbour. 32

168. *Recoveries of overpayments.*—The revised estimate includes an adjustment of Rs. ·67 lakh afforded by the Controller of Military Accounts, Poona, on account of the cancellation of an indent by the Inspector-General of Police. 31

169. *Collection of payments for services rendered.*—Increase mainly due to an anticipated recovery from the Central Government of Rs. ·23 lakh in the revised estimate and of Rs. ·16 lakh in the budget estimate for leave, clothing and other charges for the police employed on Agency functions. 31

## XXIV. Ports and Pilotage.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| | | | | | 33 |
| B. Other Ports—Miscellaneous— | | | | | |
| Transfers from the Madras Minor Ports Fund under the Madras Minor Ports Fund Act, 1938 .. .. .. .. | .. | .. | .. | .. | |

*Revenue.*

170. *Other Ports—Miscellaneous.*—Section 3 of the Madras Minor Ports Fund Act, 1938, directs that the balance standing on the 31st March 1939 to the credit of the Minor Ports Fund in excess of Rs. 20 lakhs shall be credited to and shall be disposed of along with the rest of the revenues of the Province.

Reference to pages in the Detailed Budget Estimates of Revenue.

Section 4 of the Act further directs that such portion of the balance standing to the credit of the Minor Ports Fund on the 31st March 1940 or in any subsequent year as the Provincial Government may, with the approval, by resolution, of the Madras Legislative Assembly, determine, shall be dealt with similarly. The amounts to be credited to the revenues of the Province are booked under this head.

### Explanation of variations.

171. The Marine Department has drawn up an extensive programme of works to be executed in the years 1940–1941, 1941–1942 and 1942–1943. The balance at the credit of the Minor Ports Fund on 31st March 1941 is estimated at Rs. 16·19 lakhs and the balance in the subsequent year will be further reduced. It is not expected that there will be any surplus balances to be transferred to the Revenue Account. The revised estimate for 1940–1941 and the budget estimate for 1941–1942 are therefore nil.

## XXVI. Education.

33–34

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| University .. .. .. .. | 5·82 | 5·94 | 6·36 | 6·44 |
| Secondary .. .. .. .. | ·42 | ·36 | ·43 | ·45 |
| Special .. .. .. .. | ·52 | ·54 | ·56 | ·56 |
| General .. .. .. .. | 2·61 | 1·03 | 1·92 | 1·09 |
| **Total** .. | **9·37** | **7·87** | **9·27** | **8·54** |
| *Deduct*—Refunds .. .. .. | — ·09 | — ·05 | — ·06 | — ·06 |
| **Grand Total** .. | **9·28** | **7·82** | **9·21** | **8·48** |

### *Revenue.*

172. *University.*—Fees for tuition, registration and admission and fee fines in Government Arts and Training colleges (including those which have secondary departments and model schools respectively attached to them) and in the Law and Engineering colleges are credited to this section.

173. *Secondary.*—Fees for tuition and admission and fee fines in Government secondary schools are credited to this section.

174. *Special.*—This section exhibits fees for tuition and admission and fee fines in model schools attached to Government training schools.

175. *General.*—The receipts credited to this section are—

(1) Contributions from Indian States and others on account of students deputed by them to the educational institutions in this Province, e.g., Engineering and Training colleges and schools;

(2) Income from endowments attached to Government educational institutions towards their upkeep;

(3) Registration fee paid by publishers of books and fees for scrutiny of books by the Text-Book Committee;

(4) Recoveries of overpayments made in previous years, mainly in respect of grants to local bodies, and aided institutions, of pay and allowances of Government servants, scholarships overdrawn in previous years and stipends recovered from students for failure to fulfil the terms of their bonds;

(5) Contribution levied on account of the leave salary of officers on foreign service when it is levied separately and is not combined with the pensionary contribution; and

(6) Miscellaneous receipts, such as laboratory, reading room, examination and medical inspection fees, rents (other than from buildings borne on the registers of the Public Works Department and maintained by that department) and other recoveries from residents of hostels attached to Government institutions, and sale-proceeds of manual training articles, garden products, unserviceable stores and materials, furniture and laboratory and other articles.

Reference to pages in the Detailed Budget Estimates of Revenue.

176. *University.*—The revised estimate takes credit for larger fee receipts from Government Arts colleges, owing to increase in admissions. 33-34

177. *General.*—The revised estimate takes credit for the recovery from aided elementary schools of the excess grants paid to them in 1939–1940 and also includes receipts of the Text-Book Committee, while the budget estimate, 1941–1942 excludes the special item of recovery. 33-34

## XXVII. Medical.

35

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| | RS. | RS. | RS. | RS. |
| Medical college and school fees .. .. | 2·61 | 2·77 | 2·60 | 2·60 |
| Hospital receipts .. .. .. .. | 2·50 | 2·50 | 2·56 | 2·56 |
| Mental hospital receipts .. .. .. | ·63 | ·63 | ·75 | ·65 |
| Sale of medicines .. .. .. | ·01 | ·01 | ·01 | ·01 |
| Contributions .. .. .. .. | ·67 | ·73 | ·56 | 1·16 |
| Income from endowments .. .. .. | ·40 | ·44 | ·44 | ·44 |
| Recoveries of overpayments .. .. | ·12 | ·14 | ·20 | ·20 |
| Collection of payments for services rendered .. | 2·53 | 2·72 | 2·35 | 2·35 |
| Miscellaneous (including receipts in England). | ·81 | ·38 | ·78 | ·81 |
| **Total** .. | **10·28** | **10·32** | **10·24** | **10·78** |
| *Deduct*—Refunds .. .. .. | — ·20 | — ·16 | — ·26 | — ·23 |
| **Grand Total** .. | **10·08** | **10·16** | **9·98** | **10·55** |

*Revenue.*

178. *Medical college and school fees.*—Fees for registration, admission and tuition and fee fines in the Madras and Vizagapatam Medical Colleges, the Stanley Medical College and the Indian Medical School and fees levied from candidates for the diploma courses in gynæcology and obstetrics and in ophthalmology are credited to this minor head.

179. *Hospital receipts.*—Under this minor head are credited fees levied for medical advice, X-ray examinations, nursing and dieting of paying patients treated in Government hospitals in Madras City and the mufassal and contributions recovered from the Defence Department for the treatment of British Military personnel and families in the Government General, and Women and Children Hospitals, Madras. The major portion of these receipts is realized from the City hospitals and the hospitals in the Nilgiris, Coimbatore, Vizagapatam, Madura, Tanjore and Malabar.

180. *Mental hospital receipts.*—The receipts represent recoveries on account of paying patients in the mental hospitals at Madras, Calicut and Waltair.

181. *Sale of medicines.*—The receipts under this head represent fees charged for dispensing at Government hospitals prescriptions of private medical practitioners for their patients in places where there are no chemists and druggists shops.

182. *Contributions.*—Contributions paid by the Madras Corporation towards the maintenance of the City hospitals, by the Tanjore District Board (Chatram funds) towards the maintenance of the district headquarters hospital at Tanjore, by the Cochin, Travancore and Hyderabad States for the training of their students in the medical colleges and other contributions received from local bodies, private benefactors and others for medical purposes, are credited to this head.

183. *Income from endowments.*—The interest accruing from investments of hospital endowments made by private donors or by public subscription is credited to this head.

184. *Recoveries of overpayments.*—Overpayments of pay and allowances and of subsidies to local bodies for medical purposes recovered in a subsequent year are credited to this head.

185. *Collection of payments for services rendered.*—Under this head are credited contributions paid by the Defence Department in respect of British officers of the Indian Medical Service belonging to the War Reserve employed under the Madras Government, recoveries on account of analytical work done by the Chemical Examiner on behalf of departments of the Central Government, recoveries on account of midwifery training in the Women and Children's Hospital, Madras, of pupils sent by other Governments and of the training of medical pupils for the Defence Department; and recoveries from local bodies on account of Government medical officers lent to them.

186. *Miscellaneous.*—Fees for pathological and analytical examinations and for examinations by medical boards, fees for post-graduate courses conducted in hospitals, fees paid by candidates for services for which recruitment is made by the Surgeon-General, recoveries of cost of anti-rabic vaccine (including cost of telegrams) used in the treatment of well-to-do patients, sale-proceeds of condemned stores, furniture and materials and of garden and other produce in hospitals, rents collected from students occupying hostel buildings not maintained by the Public Works Department and for buildings in the Lady Willingdon Leprosy Sanatorium, Chingleput, grants made by the Imperial Council of Agricultural Research for a scheme of research into the indigenous drugs of India and security deposits forfeited by hospital contractors are the main items credited to this minor head.

187. *Refunds.*—These are hospital stoppages collected in advance and subsequently refunded on making up the final bill, and refunds of wrong credits of medical board examination fees, contributions paid in excess by local bodies, etc.

### Explanation of variations.

35 188. *Medical college and school fees.*—The decrease in the revised estimate is due to the fee income from the Stanley Medical College and the Indian Medical School, Madras, being less than anticipated.

35 189. *Mental hospital receipts.*—The revised estimate for 1940–1941 is based on the progress of actuals.

35 190. *Contributions.*—The decrease in the revised estimate for 1940–1941 is due mainly to the non-realization of the contribution payable by the Tanjore District Board (Chatram funds). The budget estimate for 1941–1942 takes credit for the full realization of the contributions due from the Tanjore District Board, including arrears.

35 191. *Collection of payments for services rendered.*—The actual realizations in the current year have fallen short of budget anticipations. The budget estimate for 1941–1942 follows the revised estimate for 1940–1941.

35 192. *Miscellaneous.*—This is a fluctuating head. The estimates are based on the course of receipts in the current year and take credit *inter alia* for a grant from the Imperial Council of Agricultural Research for a scheme of research into the indigenous drugs of India.

## XXVIII. Public Health.

36–37

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Sale-proceeds of sera and vaccines .. .. | ·39 | ·33 | ·43 | ·43 |
| Contributions .. .. .. .. | ·22 | ·20 | ·23 | ·26 |
| Recoveries of overpayments .. .. .. | ·16 | ·24 | ·18 | ·16 |
| Collection of payments for services rendered .. | 1·36 | 1·35 | 1·39 | 1·44 |
| Miscellaneous— | | | | |
| Direct receipts .. .. .. .. | ·18 | ·09 | ·12 | ·13 |
| Transfers from deposit accounts— | | | | |
| Poonamallee Health Unit .. .. .. | ·25 | ·13 | ·14 | .. |
| Anti-malaria operations .. .. .. | ·16 | ·36 | ·24 | ·36 |
| **Total** .. | 2·72 | 2·70 | 2·73 | 2·78 |
| *Deduct*—Refunds .. .. .. .. .. | — ·12 | — ·01 | — ·09 | — ·02 |
| **Grand Total** .. | 2·60 | 2·69 | 2·64 | 2·76 |

*Revenue.*

193. *Sale-proceeds of sera and vaccines.*—Sera and vaccines supplied by the King Institute to local fund and municipal hospitals, private bodies and others are charged for except in the following cases where the supply is free of charge :—

(1) Sera and vaccines including vaccine lymph required by Government medical institutions ;

(2) Cholera vaccine and vaccine lymph required by the Public Health Department and local bodies ; and

(3) Sera and bacterial vaccines required by the Victoria Hospital for Women and Children at Vizagapatam.

194. *Contributions.*—Contributions from local bodies for cyanogas fumigation experiments in plague-infected areas, and donations for public health purposes are the main items.

195. *Recoveries of overpayments.*—Recoveries of pay and allowances overdrawn in previous years, and of Provincial grants drawn by local bodies for water-supply and drainage schemes, originally debited to 39. Public Health—Grants for Public Health purposes, which are found to be in excess on completion of the works are the main items.

196. *Collection of payments for services rendered.*—The pay and leave salary of municipal health officers are met from provincial funds in the first instance and debited to 39. Public Health—Public Health Establishments, and 25 per cent of the pay and leave salary is subsequently recovered from the local bodies concerned. The Public Health Department also levies fees for the grant of sanitary certificates to schools under private management and for training candidates for posts of birth and death registrars in municipalities. Fees for private bacteriological examinations, payments towards the cost of the Government Analyst and his staff by local bodies to whose areas the Madras Prevention of Adulteration Act, 1918, has been extended, the recovery from district boards of a moiety of the pay of Assistant District Health officers, fees levied from local bodies for the inspection of their water-works and drainage pumping stations, contributions on account of the staff employed for investigation and preparation of detailed plans and estimates for water-supply and drainage schemes of local authorities and for the scrutiny and sanction of other works by the Sanitary Engineering Department and centages for the department's tools and plant used for investigation of works undertaken by local authorities are also credited to this head.

197. *Miscellaneous.*—The receipts under this head fall under two main categories, namely :—

(1) receipts directly accruing from the operations of the Public Health and Sanitary Engineering Departments ; and

(2) amounts transferred from the deposit accounts of—

(*a*) the grant made by the Central Government and the Rockefeller Foundation in respect of the Poonamallee Health Unit, and

(*b*) the grant made by the Indian Research Fund Association for anti-malaria operations.

Receipts directly realized include hire charges and sale-proceeds of health propaganda apparatus and materials, receipts from the disposal of old stores and materials in the Public Health Department and cost of copies of plans relating to water-supply and drainage schemes supplied by the Sanitary Engineering Department to local bodies for the use of tenderers.

The amounts transferred from the deposit account in respect of the Poonamallee Health scheme were found partly from the Central Government's grant for the economic development and improvement of rural areas and partly from contributions from the Rockefeller Foundation. With effect from 1st October 1940, the expenditure on the scheme is being met entirely from Provincial revenues, but the question of financing it from the Central Government's grant is separately under consideration.

The Indian Research Fund Association has agreed to give a contribution of Rs. 2 lakhs spread over a period of five years for anti-malaria operations in this Presidency approved by the Association subject to the condition that an equal amount is contributed from Provincial funds. The Association's contribution is credited to the deposit account on receipt. The expenditure on the operations including the Madras Government's share



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Reference to pages in the Detailed Budget Estimates of Revenue.

is debited to 39. Public Health—Expenses in connexion with epidemic diseases—Anti-malaria operations partly financed from contributions from the Indian Research Fund Association, and an amount equal to half the expenditure representing the Association's share is transferred from the deposit account to the present head.

### Explanation of variations.

36 198. *Sale-proceeds of sera and vaccines.*—The increase in the revised estimate for 1940–1941 is due to rise in the price of sera on account of the War and to an increase in the demand from local bodies for anti-typhoid vaccine at concessional rates.

37 199. *Transfers from deposit accounts.*—The transactions relating to the deposit accounts are as follows :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Poonamallee Health Unit— | | | | |
| Opening balance .. .. .. | .. | .. | .. | .. |
| *Add*—Receipts .. .. .. | ·25 | ·13 | ·14 | .. |
| Total .. | ·25 | ·13 | ·14 | .. |
| *Deduct*—Outgoings .. .. .. | ·25 | ·13 | ·14 | .. |
| Closing balance .. .. .. | .. | .. | .. | .. |
| Anti-malaria operations— | | | | |
| Opening balance .. .. .. | ·17 | ·34 | ·41 | ·35 |
| *Add*—Receipts .. .. .. | ·40 | ·02 | ·18 | ·02 |
| Total .. | ·57 | ·36 | ·59 | ·37 |
| *Deduct*—Outgoings .. .. | ·16 | ·36 | ·24 | ·36 |
| Closing balance .. .. .. | ·41 | .. | ·35 | ·01 |

As the expenditure on the Poonamallee Health scheme is being met from Provincial revenues from 1st October 1940, no transactions are shown in the deposit account relating to that scheme in the budget for 1941–1942.

## XXIX. Agriculture.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate. 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 38 Agricultural receipts— | | | | |
| Direct receipts .. .. .. | 1·99 | 2·02 | 2·24 | 2·23 |
| Transfers from deposit accounts .. | 1·06 | 1·05 | 1·18 | ·96 |
| Recoveries of overpayments .. .. | ·04 | ·05 | ·03 | ·04 |
| Collection of payments for services rendered .. .. .. .. | ·10 | ·06 | ·07 | ·07 |
| Receipts in England .. .. .. | .. | .. | .. | .. |
| Total .. | 3·19 | 3·18 | 3·52 | 3·30 |
| *Deduct*—Refunds .. .. .. | .. | — ·01 | — ·01 | — ·01 |
| Grand total .. | 3·19 | 3·17 | 3·51 | 3·29 |

*Revenue.*

200. Receipts pertaining to the operations of the Department of Agriculture are credited to this major head.

201. *Agricultural receipts.*—These fall into two main categories, namely :—

(1) Receipts directly accruing from the operations of the department ;

(2) Amounts transferred to this head from the deposit accounts of grants made by the Imperial Council of Agricultural Research and the Indian Central Cotton Committee for specific purposes.

Reference to pages in the Detailed Budget Estimates of Revenue.

Direct receipts consist of the sale-proceeds of dairy and farm produce at district stations and at the central farm at Coimbatore, cotton, green manure and other seeds produced or stocked by the department, agricultural implements and manures, receipts from botanical and other public gardens and the Research Institute, fees and other receipts from the Agricultural College and rents from buildings under the control of the department.

The amounts transferred from the deposit accounts represent that part of the expenditure booked under the expenditure head 40.—Agriculture which is financed from grants made by the Imperial Council of Agricultural Research and the Indian Central Cotton Committee.

202. *Recoveries of overpayments.*—Cash recoveries from seed farm ryots of the value of seeds supplied to them for sowing if the seeds supplied by them from their seed farms are found unsatisfactory and recoveries of pay and allowances overdrawn in previous years are credited to this head.

203. *Collection of payments for services rendered.*—The receipts under this head represent contributions for leave salary on account of officers in foreign service and those employed by Government on behalf of others under Fundamental Rule 127.

EXPLANATION OF VARIATIONS.

204. *Direct receipts.*—The increase in the revised estimate is due mainly to larger receipts from sale of plants and from sale of paddy and other seeds at enhanced rates. 38

205. *Transfers from deposit accounts.*—The transactions relating to the deposit accounts of grants made by the Imperial Council of Agricultural Research and the Indian Central Cotton Committee are as follows :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | ·19 | .. | ·14 | ·02 |
| *Add*—Receipts .. .. .. | 1·01 | 1·05 | 1·06 | ·94 |
| **Total** | **1·20** | **1·05** | **1·20** | **·96** |
| *Deduct*—Outgoings .. .. | 1·06 | 1·05 | 1·18 | ·96 |
| Closing balance .. .. .. | ·14 | .. | ·02 | .. |

## XXX. Veterinary.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| Veterinary College fees .. .. .. | ·34 | ·36 | ·31 | ·33 | 39 |
| Other receipts— | | | | | |
| Direct receipts .. .. .. | ·66 | ·60 | ·69 | ·59 | |
| Transfers from deposit accounts .. | ·12 | ·16 | ·16 | ·16 | |
| Collection of payments for services rendered | ·02 | .. | ·01 | .. | |
| **Total** .. | **1·14** | **1·12** | **1·17** | **1·08** | |
| *Deduct*—Refunds .. .. .. | — ·01 | — ·01 | — ·01 | — ·01 | |
| **Grand total** .. | **1·13** | **1·11** | **1·16** | **1·07** | |

*Revenue.*

206. *Veterinary College fees.*—Tuition, examination and medical inspection fees collected from students in the Madras Veterinary College, fees realized from the shoeing forge and for animals treated in the hospital attached to the College and rent realized from the veterinary assistant surgeon in charge of the veterinary dispensary at Rayapuram for the occupation of quarters rented to him and sale-proceeds of old stores and materials of the Madras Veterinary College and the veterinary dispensary at Rayapuram are the main items of receipts credited to this minor head.

Reference to pages in the Detailed Budget Estimates of Revenue.

207. *Other receipts.*—These fall into two main categories, namely :—

(1) Receipts directly realized by the Civil Veterinary Department ; and

(2) Transfers from the deposit account of grants by the Imperial Council of Agricultural Research for specific schemes entrusted to the department and of contributions for cattle improvement.

Receipts directly realized include fees for treatment of animals in, and contributions from local bodies and others for the maintenance of veterinary hospitals and dispensaries in the mufassal ; sale-proceeds of serum produced by and of used animals in the Serum Institute ; rents realized from veterinary assistant surgeons occupying quarters rented for them by the department ; fees levied for inspection by veterinary assistant surgeons at Tuticorin, Negapatam, Cuddalore, Cocanada and Vizagapatam of animals and other materials intended for export ; sale-proceeds of old stores and materials ; livestock section receipts ; and recoveries of overpayments made in previous years.

The grants given by the Imperial Council of Agricultural Research are for the investigation of certain animal and poultry diseases and for sheep breeding. These grants and the contributions for cattle improvement are credited on receipt to a deposit head and the expenditure incurred is debited to the expenditure head 41. Veterinary, whilst a corresponding amount is credited to this head.

208. *Collection of payments for services rendered.*—The main item of receipt under this head is the contribution levied towards the leave salary of officers in foreign service.

EXPLANATION OF VARIATIONS.

39 209. *Other receipts—Transfers from deposit accounts.*—The position of the deposit accounts of grants made by the Imperial Council of Agricultural Research for veterinary investigation and for the sheep-breeding scheme and of contributions for cattle improvement is as shown below :—

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | ·03 | ·03 | ·03 | ·01 |
| *Add*—Receipts .. .. .. | ·12 | ·16 | ·13 | ·15 |
| **Total** .. | **·15** | **·19** | **·16** | **·16** |
| *Deduct*—Outgoings .. .. .. | ·12 | ·16 | ·15 | ·16 |
| Closing balance .. .. .. | ·03 | ·03 | ·01 | .. |

## XXXI. Co-operation.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 40 Audit fees .. .. .. | ·87 | ·88 | ·87 | ·85 |
| Miscellaneous receipts— | | | | |
| Direct receipts .. .. | 2·40 | 2·41 | 2·35 | 2·32 |
| Transfers from deposit accounts .. | ·65 | ·76 | 1·03 | ·99 |
| **Total** .. | **3·92** | **4·05** | **4·25** | **4·16** |
| *Deduct*—Refunds .. .. | — ·03 | — ·02 | — ·04 | — ·04 |
| **Grand total** .. | **3·89** | **4·03** | **4·21** | **4·12** |

*Revenue.*

210. *Audit fees.*—Fees for the audit by the staff of the Co-operative Department of the accounts of co-operative banks and societies other than societies for the audit of which special staff is employed are credited to this minor head.

The rates of fees are —

| | Fee per diem. RS. | A. | P. |
|---|---|---|---|
| Central banks .. .. .. .. .. .. | 5 | 8 | 0 |
| Urban banks with a working capital of Rs. 1 lakh and over .. | 5 | 8 | 0 |
| Urban banks with working capital of less than Rs. 1 lakh and other types of societies liable to pay fees under the rules .. | 3 | 12 | 0 |

Reference to pages in the Detailed Budget Estimates of Revenue.

211. *Miscellaneous receipts.*—These fall into two categories—

Receipts directly realized by the Co-operative Department ; and

Amounts transferred from the deposit accounts of grants from the Central Government for co-operative training and education, and of grants from Sugar Excise Duty to societies of sugarcane growers to enable them to secure better prices for their cane.

Receipts directly realized by the Co-operative Department comprise the following :—

(1) Fees for the recovery by the departmental staff of—

(*a*) any amount due under a decree or order of a civil court, a decision or award of the Registrar or arbitrator or an order of the Registrar obtained by a registered society including a financing bank,

(*b*) any sum awarded by way of costs under section 41 of the Madras Co-operative Societies Act to a registered society including a financing bank,

(*c*) any sum ordered under section 47 of the Act to be recovered as a contribution to the assets of a society or as costs of liquidation,

(*d*) any sum ordered under section 49 of the Act to be repaid to the society or recovered as a contribution to its assets, and

(*e*) fees in respect of disputes or revision petitions filed under section 51 of the Act, i.e., arbitration fees.

(2) Contribution from societies participating in the audit schemes in Madras City and Salem towards the cost of the special audit staff employed to audit their accounts, from certain other societies for whose exclusive benefit additional staff for audit has been employed and from the Central Land Mortgage Bank towards the pay and allowances of the departmental staff employed for its benefit.

(3) Fees from students admitted for training in the Central Co-operative Training Institute, Madras.

(4) Fees for copying sale records, decree copies, depositions, liability statements, audit reports and petitions.

(5) Recoveries of pay and allowances overdrawn in previous years.

(6) Contribution towards leave salary of officers lent to foreign service.

(7) Contribution from other Governments for services rendered by the Provincial Co-operative Department, e.g., Orissa and Bombay.

The grants from the Central Government for co-operative training and education and from the Sugar Excise Duty are on receipt credited to the deposit account. The expenditure on co-operative training and education and the subsidies given to cane-growers' societies including leave and pensionary contribution are debited to 42. Co-operation, whilst corresponding amounts are transferred to this head by debit to the deposit account. The leave and pensionary contributions on account of Government servants lent to cane growers' societies adjusted from the deposit account are credited respectively to direct receipts under this head and XLIV. Receipts in aid of superannuation.

### Explanation of variations.

212. *Miscellaneous receipts—Transfers from deposit accounts.*—The increase in the revised estimate is due to larger expenditure debitable to 42. Co-operation on schemes financed from the Central Government for co-operative training and education due to sanction of certain new schemes. 40

The transactions relating to the deposit accounts of the grants from the Central Government for co-operative training and education and from Sugar Excise Duty are as follows :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | ·17 | ·35 | ·43 | ·01 |
| *Add*—Receipts .. .. .. | ·91 | ·58 | ·61 | ·98 |
| Total .. | 1·08 | ·93 | 1·04 | ·99 |
| *Deduct*—Outgoings .. .. | ·65 | ·76 | 1·03 | ·99 |
| Closing balance .. .. .. | ·43 | ·17 | ·01 | .. |

Reference to pages in the Detailed Budget Estimates of Revenue.

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## XXXII. Industries.

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Industries— | | | | |
| Direct receipts .. .. .. | 4·47 | 4·45 | 5·25 | 5·49 |
| Transfers from deposit accounts .. | 1·13 | 1·43 | 1·63 | 1·39 |
| Cinchona plantations .. .. | 11·31 | 9·80 | 14·13 | 14·20 |
| Fisheries .. .. .. .. | 4·75 | 3·89 | 4·50 | 5·07 |
| Recoveries of overpayments .. .. | ·01 | .. | ·01 | .. |
| Collection of payments for services rendered .. .. .. | ·04 | ·04 | ·04 | ·04 |
| **Total** .. | 21·71 | 19·61 | 25·56 | **26·19** |
| *Deduct*—Refunds .. .. .. | — ·08 | — ·10 | — ·10 | — ·08 |
| **Grand Total** .. | 21·63 | 19·51 | 25·46 | 26·11 |

*Revenue.*

INDUSTRIES.

213. This major head records the revenue received in connexion with the Industries, Cinchona and Fisheries Departments in this Province.

214. *Industries.*—Revenue received directly by the Industries Department and amounts transferred from the deposit accounts of the Central Government's grants for the development of the sericultural, handloom and woollen industries are credited to this minor head.

215. *Direct receipts.*—These include receipts from the sale of soap and other preparations manufactured at the Kerala Soap Institute, the fees levied and the sale of articles made in the various technical and industrial schools run by the Industries Department, the fees and other receipts connected with the department's pumping and boring activities, recoveries on account of work executed in the Industrial Engineering Workshops, Madras, for the pumping and boring branch and other sections of the Industries Department, other Government departments and private parties, and on account of the hand-boring sets manufactured at the workshops for rural water-supply schemes, receipts from the fish liver oil industry and the hire of sugarcane-crushing mills and sugar centrifugals and the sale of the products of the silk farms at Coonoor, Hosur, Palmaner and Thadaguni, of the oils and fats produced by the Kerala Soap Institute, and of unserviceable and surplus stores and interest on the depreciation reserves of the Kerala Soap Institute and the Industrial Engineering Workshops deposited with the Government.

216. *Transfers from deposit accounts.*—Grants are made by the Central Government for the development of the handloom weaving industry, of cottage and small scale woollen industries and for the production and distribution of disease-free cellular and cross-breed seeds for the production of silk worms and for research on the diseases of silk worms. These grants are credited to deposit accounts on receipt. The expenditure incurred on the objects mentioned above is debited to the appropriate heads under the major expenditure head 43. Industries and a corresponding amount is credited to this receipt head by debit to the deposit heads concerned.

217. *Cinchona plantations.*—The raw produce of the Government Cinchona plantations in the Nilgiris and Coimbatore and the bark purchased in bulk from Java, the Bengal Government and private plantations are converted into finished products at the Government factory and packed in bulk and consigned for sale at the Madras Penitentiary. The sale-proceeds of these products, including the payment by the Public Health Department of the loss on account of the sale of quinine at concessional rates, are credited to this minor head. (The commission payable to the Jail Department is debited to the head 43. Industries—Cinchona plantations.) The interest on the depreciation reserve of the Cinchona Department deposited with the Government is also credited to this minor head.

218. *Fisheries.*—The receipts realized by the Fisheries Department from its operations and the rentals of inland fisheries in public waters taken over for stocking with fish by the department are credited to this head. The greater part of the receipts accrues from the fish-curing yards on the East and West Coasts, the pearl fisheries in Tinnevelly and Ramnad, the chank fisheries in Tinnevelly, Tanjore, South Arcot, Nellore and Chingleput, inland fisheries (a very large part of the receipts from which is paid over to local bodies as compensation), the Marine Aquarium in Madras and the Nilgiri and Palni Hills fisheries (the receipts from which are paid over to the Nilgiri and Palni Hills Game Associations). There are some receipts also from the marine biological stations at Ennore, Krusadai island and West Hill, Calicut, the oyster farm at Pulicat and rents.

219. *Recoveries of overpayments.*—Overpayments recovered after the year of payment are credited to this minor head.

220. *Collection of payments for services rendered.*—The contribution from the Madras and Southern Mahratta Railway for services rendered by the Industries Department in connexion with the supervision of its Perambur branch school is the chief item of receipts under this head.

221. *Refunds.*—The refunds in the Industries Department are mainly of excess amounts collected in advance in connexion with work-orders and pumping and boring operations, and of amounts representing the advances and the daily hire charges for hand drills paid by private parties for whom unsuccessful borings have been put down by the department. Refunds in the Fisheries Department are mainly of excess amounts collected from purchasers of oysters and fishery products and of fishery rentals subsequently remitted.

EXPLANATION OF VARIATIONS.

222. *Industries—Direct receipts.*—The increase is chiefly due to the orders received from the Director-General, Indian Medical Service, for the supply of silkworm ligature guts, larger sales of the Kerala Soap Institute products and to the receipts anticipated from the fish liver oil industry newly started in 1940–1941. 41

223. *Transfers from deposit accounts.*—The transactions in the deposit accounts are as follows :—

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | ·75 | ·42 | ·65 | ·28 |
| *Add*—Receipts .. .. .. | 1·03 | ·99 | 1·26 | 1·11 |
| **Total ..** | **1·78** | **1·41** | **1·91** | **1·39** |
| *Deduct*—Outgoings .. .. .. | 1·13 | 1·43 | 1·63 | 1·39 |
| Closing balance .. .. .. .. | ·65 | — ·02 | ·28 | .. |

The variations are explained in paragraphs 601 and 603 infra.

224. *Cinchona plantations.*—Due to the war, a large quantity of Java bark has been obtained at the instance of the Government of India for stock and manufacture of quinine products. The revised and the budget estimates take credit for a larger sale of these products to other Governments and Administrations at a higher price. 41

225. *Fisheries.*—The increase is mainly due to larger receipts anticipated from the fish-curing yards and the pearl and chank fisheries. 41–42

## XXXVI. Miscellaneous Departments. 43–44

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Examination fees .. .. .. | 6·53 | 6·47 | 6·78 | 7·09 |
| Fees for the inspection of steam boilers .. | ·66 | ·65 | ·66 | ·66 |
| Fees for the registration of trade unions .. | ·01 | ·01 | .. | |
| Administration of Indian Partnership Act, 1932. | ·03 | ·03 | ·03 | ·03 |
| Miscellaneous .. .. .. | ·56 | ·65 | ·81 | 1·05 |
| **Total ..** | **7·79** | **7·81** | **8·28** | **8·83** |
| *Deduct*—Refunds .. .. | — ·03 | — ·04 | — ·05 | — ·03 |
| **Grand Total ..** | **7·76** | **7·77** | **8·23** | **8·80** |

*Revenue.*

226. This major head of revenue is intended to record the receipts in departments the cost of which is debited to the major head 36. Scientific Departments for which there is no specific corresponding head on the receipt side (e.g., museums) and to the major head 47. Miscellaneous Departments.

227. *Examination fees.*—These are fees and other receipts realized from examinations conducted by—

(1) the Commissioner for Government Examinations (secondary school-leaving certificate, training-school leaving certificate and technical and physical training teachers' certificate examinations, Public examination at the end of VIII Standard, Technical examinations such as typewriting and shorthand, Sanskrit and European school examinations and examination for engine drivers and water-works fitters) ;

Reference to pages in the Detailed Budget Estimates of Revenue.



(2) the Madras Public Service Commission (clerkship and other examinations for entry into Government service, selections without examination, examinations in departmental and special tests and language and other examinations for Government servants) ; and

(3) the Board of Revenue (Village Officers' Special Tests).

228. *Fees for the inspection of steam boilers.*—Fees levied for the registration and renewal of certificates of boilers under the Indian Boilers Act, 1923, and the regulations and rules made thereunder are the main items credited to this head.

229. *Fees for the registration of trade unions.*—Fees realized for registration of trade unions under the Indian Trade Unions Act, 1926, are credited to this head.

230. *Administration of the Indian Partnership Act.*—Fees levied under the Indian Partnership Act, 1932, and the Madras Partnership (Registration of Firms) Rules issued thereunder for registration of firms, recording alterations in their names and principal places of business, inspection of registers and filed documents and grant of certified copies of any entry in the register of firms are credited to this head.

231. *Miscellaneous.*—The receipts credited to this head are mainly those realized—

(1) by the Labour Department from the sale of produce and manufactures of settlements for criminal tribes, and from institutions, hostels and other activities conducted by the department for Kallars and other communities eligible for help by the Labour Department.

(2) by the Chief Engineer for Electricity from applicants for posts of junior engineers, supervisors, etc., in the department and of electrical engineers under local bodies and by sale of specifications ; and

(3) by the Registrars of Births and Deaths and by the Registrar-General of Births, Deaths and Marriages for searches in and copies of records relating to births, deaths, marriages, baptisms and burials, from the Government Museum and the Connemara Library and from the registration of companies under the Indian Companies Act, 1913, and of societies under the Act of 1860.

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EXPLANATION OF VARIATIONS.

232. *Examination fees.*—The increase in the estimates is due to larger receipts anticipated from examinations conducted by the Madras Public Service Commission and the Commissioner for Government Examinations, consequent on the increase in the number of candidates. The budget estimate for 1941–1942 also takes credit for fees chargeable for the public examination to be held at the end of the eighth standard course in the higher elementary schools.

43 233. *Miscellaneous.*—The increase in the estimates is due mainly to the introduction in the course of the current year of date mat and match manufacturing industries in the Chintaladevi settlement.

## XXXIX. Civil Works.

| Reference | | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 44–45 | Rents | 6·52 | 6·56 | 6·70 | 6·70 |
| | Receipts from workshops | ·45 | ·50 | ·40 | ·40 |
| | Recoveries of expenditure | 1·42 | 1·40 | 1·25 | 1·25 |
| | Transfer from Central Road Fund | 20·95 | 24·63 | 24·68 | 30·19 |
| | Miscellaneous | 1·87 | 1·51 | 2·30 | 2·30 |
| | Receipts in England | .. | .. | .. | .. |
| | **Total** | 31·21 | 34·60 | 35·33 | 40·84 |
| | *Deduct*—Refunds | — ·25 | — ·03 | — ·25 | — ·25 |
| | **Grand Total** | 30·96 | 34·57 | 35·08 | 40·59 |

Reference to pages in the Detailed Budget Estimates of Revenue.

*Revenue.*

234. *Rents.*—Rents for residential and non-residential buildings and hostels in charge of the Public Works Department, including rents for furniture and other special amenities, recovered from the occupying Government servants and students, from Provincial commercial departments, such as the Irrigation, Electricity and Cinchona departments, and from departments of the Central Government, local bodies and others are credited to this head.

235. *Receipts from workshops.*—A portion of the indirect charges recovered in the workshops at Madras, Bezwada and Dowlaishwaram is credited to this minor head. This portion is made up of (1) interest on capital and depreciation of buildings in the case of all the workshops and (2) recovery of tools and plant charges in the case of the workshops at Bezwada and Dowlaishwaram. The amount recovered under tools and plant charges on account of the Madras workshop is treated as a deduction from the expenditure under the minor head "Tools and Plant" under "50. Civil Works" as the charges do not pertain to the Madras Circle alone but are distributable over all the circles in the Province.

236. *Recoveries of expenditure.*—Recoveries on account of (*a*) damage caused by occupants to buildings, furniture, etc.; (*b*) overpayments made in previous years; (*c*) contribution for leave salary of officers on foreign service; (*d*) tools and plant charges from contractors; (*e*) refunds of unspent balances of grants originally debited to 50. g. Civil Works —Grants-in-aid in respect of water-supply and drainage schemes of local bodies executed by the Public Works Department and recoveries on account of arrears, if any, of centage charges in respect of such works; (*f*) contribution from local bodies and others in respect of Government works and (*g*) sale-proceeds of old tools and plant, materials, unserviceable articles and the like (except when they have to be adjusted in reduction of expenditure, as in the case of works in progress and those debited to a capital head) are credited to this head.

237. *Transfer from Central Road Fund.*—Allocations from the Central Road Fund (to which receipts from the special additional duty on motor spirit levied for road development are transferred) made by the Central Government to the Provincial Government are credited on receipt to the Provincial deposit head Subventions from Central Road Fund. From 1937–1938 such allocations will be made only after the balance in the Provincial deposit account at the beginning of the year has been exhausted. The actual expenditure incurred by a Provincial Government from time to time on specific road works or objects approved by the Central Government is charged in the Provincial accounts to the head 50. Civil Works under the minor heads Communications and Grants-in-aid or other appropriate heads of account. An equivalent amount is transferred month by month from the deposit head Subventions from Central Road Fund to the revenue head XXXIX. Civil Works, or other corresponding head, inclusive of the portion payable from the Central Government's unallotted reserve in its Road Fund in respect of works partly financed from the Central Government's reserve and partly from the Provincial share.

238. *Miscellaneous.*—The receipts credited to this minor head are rents from land as distinguished from rents for buildings; sale-proceeds of produce such as wood, grass, fruits, vegetables, etc., from the compounds of Government buildings and those taken on lease, when such produce is Government property and not grown by the occupants; sale-proceeds of Public Works Department buildings transferred to Central departments; supervision charges on sales of stock; value of stores found surplus; profits on stock due to revaluation; lapsed tender and other deposits; fines; deposits of contractors confiscated for reasons other than damage to works; and all extraordinary items of receipts which cannot be booked under other minor heads.

239. *Receipts in England.*—The receipts in England generally consist of recoveries of overpayments.

EXPLANATION OF VARIATIONS.

240. *Rents.*—The revised and the budget estimates are based on the trend of actuals during 1940–1941, the increase being due to the rentals realized on quarters completed during the year. 44

241. *Recoveries of expenditure.*—The figures are based on the course of actuals in the year 1940–1941. 44

Reference to pages in the Detailed Budget Estimates of Revenue.

242. *Transfer from Central Road Fund.*—The estimates follow the amounts provided for expenditure debitable to the Fund under the various heads concerned. The transactions relating to the deposit account subventions from Central Road Fund are as follows :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| A. Provincial share— | | | | |
| Opening balance .. .. .. .. | 16·00 | 5·88 | 1·97 | .. |
| *Add*—Receipts .. .. .. .. | 7·06 | 18·92 | 22·47 | 30·19 |
| **Total** .. | **23·06** | **24·80** | **24·44** | **30·19** |
| *Deduct*—Outgoings .. .. .. .. | 21·09 | 24·80 | 24·44 | 30·19 |
| Closing balance .. .. .. .. | 1·97 | .. | .. | .. |
| B. Grant from the Central Government's reserve— | | | | |
| Opening balance .. .. .. .. | .. | .. | .. | .. |
| *Add*—Receipts .. .. .. .. | ·40 | .. | ·34 | .. |
| **Total** .. | **·40** | .. | **·34** | .. |
| *Deduct*—Outgoings .. .. .. .. | ·40 | .. | ·34 | .. |
| Closing balance .. .. .. .. | .. | .. | .. | .. |

243. *A. Provincial share.*—The balance on the 1st April 1941, being nil, credit has been taken for the drawal from the Central Government of the amount required for expenditure during 1941–1942.

244. *B. Grant from the Central Government's reserve.*—The recoveries from the Central Government's unallotted reserve in respect of works financed partly from it and partly from the Provincial share are shown as receipts and outgoings of the Fund.

45 245. *Miscellaneous.*—The estimates are based on the course of actuals in the year 1940–1941.

44 246. *Refunds.*—The figures are based on the average of the actuals of the last three years.

46–48

## XLI. Receipts from Electricity Schemes—Gross Receipts.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Hydro-electric schemes— | | | | |
| Pykara hydro-electric scheme .. .. | 37·25 | 37·81 | 43·92 | 44·41 |
| Mettur hydro-electric scheme .. .. | 13·34 | 15·30 | 17·43 | 18·83 |
| Thermo-electric schemes— | | | | |
| Vizagapatam electric scheme .. .. | 1·37 | 1·81 | 1·76 | 1·93 |
| Bezwada electric scheme .. .. .. | 1.89 | 2·41 | 2·70 | 3·25 |
| Cocanada electric scheme .. .. .. | .. | ·65 | ·47 | ·81 |
| **Total** .. | **53·85** | **57·98** | **66·28** | **69·23** |

*Revenue.*

247. This major head records the gross revenue from hydro-electric and thermo-electric schemes, after they have begun operation and regular revenue accounts have been opened for them. Any revenue which accrues before these accounts are opened is taken in reduction of the capital outlay under recoveries on capital account.

Working expenses, which include contributions to the depreciation and special reserve funds when these have been created, are adjusted in the accounts in Reduction of gross receipts.

Separate accounts of gross receipts and working expenses are maintained for each main system.

Reference to pages in the Detailed Budget Estimates of Revenue.

248. *Gross Receipts.*—The receipts are accounted for under the following minor heads :—

Sale of power.

Miscellaneous revenue.

*Deduct*—Refunds.

The energy generated at the power-houses of each system is sold either in bulk to municipal and other licensees, who distribute it to individual consumers, or directly to consumers such as factories, mills, workshops, tea estates, villagers and agriculturists. Receipts on this account are credited to the head Sale of power.

Under the head Miscellaneous revenue are credited meter rentals, recoveries of leave contribution from municipalities on account of establishments employed on municipal undertakings, and interest on the value of electric appliances supplied to individual consumers on the hire-purchase system (recoveries on account of the cost of appliances being taken in reduction of expenditure under Working expenses—Suspense), rents of residential buildings, sale-proceeds of unserviceable stores and materials, interest on securities held in the depreciation and special reserve funds and other items.

EXPLANATION OF VARIATIONS.

249. *Pykara hydro-electric scheme.*—The increase in the revised estimate for 1940–1941 is due to the development of load above anticipations. The budget estimate for 1941–1942 allows for a further growth in the demand for power. 46 and 48

250. *Mettur hydro-electric scheme.*—The increase in the revised estimate for 1940–1941 is due to development of load and to the commencement of operation of certain new schemes in the current year. The budget estimate for 1941–1942 allows for growth in the demand for power and takes credit also for revenue from new schemes expected to come into operation in 1941–1942. 46 and 48

251. *Vizagapatam electric scheme.*—The increase in the budget estimate for 1941–1942 is due to the anticipated growth in the demand for power. 47

252. *Bezwada electric scheme*—The estimates allow for growth in the demand for power. 47

253. *Cocanada electric scheme.*—The distribution schemes in the Cocanada area are expected to commence operation only in 1941–1942 instead of in the current year as originally anticipated. This accounts for the decrease in the revised estimate for 1940–1941 and the increase in the budget estimate for 1941–1942. 47

## XLIV. Receipts in aid of Superannuation. 49

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Contributions for pensions and gratuities .. | 2·73 | 2·64 | 2·43 | 2·33 |
| Miscellaneous (including receipts in England) .. .. .. .. | ·01 | ·01 | ·02 | ·01 |
| **Total ..** | **2·74** | **2·65** | **2·45** | **2·34** |
| *Deduct*—Refunds .. .. .. .. | — ·02 | — ·01 | — ·04 | — ·01 |
| **Grand Total ..** | **2·72** | **2·64** | **2·41** | **2·33** |

*Revenue.*

254. *Contributions for pensions and gratuities.*—The receipts under this minor head consist mainly of pensionary contributions (and leave contributions when a combined rate is levied for both) on account of the railway police employed on ‘ order ’ duties, of officers jointly employed in the administration of Central and Provincial subjects, of officers lent to other Governments, local bodies, estates and others (e.g., the Pasteur Institute, Coonoor) on foreign service terms, and of officers employed by the Madras Government on behalf of the Central Government (e.g., staff for the administration of grants from Sugar Excise Duty), local bodies and others subject to the recovery of the cost in full

or in part; contributions from local bodies for payment of pensions from Provincial revenues in respect of their employees or specified classes of them and contributions recovered from foreign employers towards Government's liability under the I.C.S. (Non-European Members) Provident Fund Rules. Interest, if any, on arrears of leave and pensionary contributions in respect of Government servants on foreign service is also credited to this head.

255. *Miscellaneous.*—Recoveries of overpayments, if any, made to pensioners in previous years and the bonus contributions from non-Government authorities on account of their employees admitted to the benefits of the Contributory Provident Fund (Madras) are the main items of receipts credited to this minor head.

EXPLANATION OF VARIATIONS.

49 256. *Contributions for pensions and gratuities.*—The decrease in the revised estimate for 1940–1941 is due partly to a smaller number of officers being on foreign service than was anticipated and partly to a decrease in the contributions from local bodies for payment of pensions from provincial revenues in respect of their employees. The further decrease in the budget estimate for 1941–1942 is due to the reversion of several officers of this Government from Orissa.

50

## XLV. Stationery and Printing.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Stationery Receipts .. .. .. .. | ·22 | ·18 | ·26 | ·26 |
| Sale of Gazettes and other Government publications. | ·99 | 1·00 | ·83 | ·83 |
| Other Press Receipts .. .. .. .. | 3·06 | 3·07 | 4·45 | 2·75 |
| Receipts in England .. .. .. .. | .. | ·01 | .. | .. |
| **Total** .. | **4·27** | **4·26** | **5·54** | **3·84** |
| *Deduct*—Refunds .. .. .. .. | — ·01 | — ·02 | — ·01 | — ·01 |
| **Grand Total** .. | **4·26** | **4·24** | **5·53** | **3·83** |

*Revenue.*

257. The Stationery and Printing Departments fall in the category of service departments which are not permitted to charge one another for services which fall within the duties for which they are constituted. But services rendered or supplies made by the Stationery and Printing Departments to the Posts and Telegraphs and other Central departments, Government commercial departments, local bodies and others are charged for.

258. *Stationery receipts.*—Recoveries on account of the cost of stationery supplied by the Superintendent of Stationery from the Provincial Stationery Stores to local bodies and others and of centage charges for the supply of typewriters, duplicators, etc., to Government servants for their personal use and to approved quasi-Government offices, and amounts realized by the sale of waste-paper in public offices, press cuttings at the Government Press, Madras, condemned typewriters, duplicators, etc., and unserviceable and damaged articles are credited to this head.

259. *Sale of gazettes and other Government publications.*—Subscriptions for the Fort St. George and District Gazettes, Indian Law Reports (Madras Series) and sale-proceeds of loose copies of these publications and other publications including departmental publications of the High Court produced by funds provided under 56. Stationery and Printing are credited to this minor head.

260. *Other Press receipts.*—The receipts under this head comprise recoveries on account of the supply of forms, private notifications and advertisements in the official gazettes or other publications issued from the Government Press, and printing and binding work at Government Presses on behalf of local bodies, commercial departments and others, the recovery of the cost of paper, printing and binding materials supplied and postage and freight charges incurred in the rendering of the services; the recovery of the cost of work

Reference to pages in the Detailed Budget Estimates of Revenue.

done for local bodies in connexion with the printing of electoral rolls, etc., at private presses, the expenditure on which is debited to 56. Stationery and Printing—Printing at Private Presses; the value of types manufactured for renewals and replacements the cost of which is debitable to the Government Presses Depreciation Fund; sale-proceeds of saleable forms including service registers, unserviceable plant, machinery and other articles; and the commission earned in respect of sales of University and Central Government publications.

261. *Receipts in England.*—The receipts under this head represent the sale-proceeds of publications of the Madras Government realized in England.

EXPLANATION OF VARIATIONS.

262. *Sale of gazettes and other Government publications.*—The decrease is due to reduced sales of Acts and costly publications. 50

263. *Other Press Receipts.*—The increase in the revised estimate is due to the anticipated recovery from local bodies of the cost of the supply of the Madras Legislative Assembly rolls for 1937–1938 and 1938–1939. 50

## XLVI. Miscellaneous.

51–52

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| | RS. | RS. | RS. | RS. |
| Unclaimed deposits .. .. .. | 3·51 | 3·53 | 3·51 | 3·51 |
| Sale of old stores and materials .. | ·03 | ·03 | ·06 | ·04 |
| Sales of land and houses .. .. | ·01 | ·01 | ·01 | ·01 |
| Fees for Government audit .. .. | ·85 | ·75 | ·93 | ·80 |
| Rents, rates and taxes .. .. | ·04 | ·02 | ·06 | ·04 |
| Other fees, fines and forfeitures .. | 3·43 | 3·41 | 3·41 | 3·47 |
| Transfer from the deposit account of grants for economic development and improvement of rural areas .. .. | 3·32 | 5·66 | 4·00 | 5·00 |
| Recoveries of overpayments .. .. | ·28 | ·15 | ·23 | ·20 |
| Collection of payments for services rendered .. .. .. | 2·67 | 2·20 | 2·76 | 2·64 |
| Net gain by exchange on local transactions .. .. .. | — ·02 | .. | .. | .. |
| Net gain by exchange on remittance transactions .. .. .. | .. | .. | .. | .. |
| Miscellaneous .. .. .. | 1·78 | 1·76 | 14·40 | 16·91 |
| Receipts in England .. .. .. | ·03 | .. | .. | .. |
| **Total ..** | **15·93** | **17·52** | **29·37** | **32·62** |
| *Deduct*—Refunds .. .. .. | — 1·59 | — 2·20 | — 1·78 | — 1·60 |
| **Grand Total ..** | **14·34** | **15·32** | **27·59** | **31·02** |

*Revenue.*

264. This major head is the revenue head corresponding to the expenditure heads 25. General Administration and 57. Miscellaneous, and is intended to record revenues pertaining to the same subjects as these expenditure heads and all other revenues which it is not found possible to bring into account under any of the descriptive major heads of revenue.

265. *Unclaimed deposits.*—Many deposits of various kinds are received by Government servants in the course of Government business and are held temporarily in the deposit section of the Government accounts until repaid or adjusted under the appropriate heads of account. A certain number, however, remain unadjusted every year and, with a view to ensuring the clearance of the items in the deposit accounts, rules have been framed for treating deposits remaining unclaimed or unadjusted for specific periods (which have been fixed with reference to the amounts or classes of deposits) as having lapsed to the Government. Such lapsed deposits are credited to this head, but if they are subsequently claimed and the claims are admitted, they are refunded by adjustment to Refunds under this major head. Lapsed cash orders are also credited to this head.

Reference to pages in the Detailed Budget Estimates of Revenue.

266. *Sale of old stores and materials.*—Receipts by sale of old stores and materials in the possession of departments and offices the cost of which is debited to 25. General Administration or 57. Miscellaneous are credited to this minor head.

267. *Sales of land and houses.*—Sale-proceeds of land and buildings disposed of by the Revenue Department owing to their not being required for the use of any department, except those relating to the Public Works Department and quasi-commercial departments such as the Irrigation and Electricity Departments, and recoveries from labourers and others on account of house-sites provided for them from expenditure debited to 25. General Administration, are credited to this minor head.

268. *Fees for Government audit.*—To this minor head are credited fees for the audit by the Examiner of Local Fund Accounts of the accounts of Universities, official receivers, wards' estates, port and marine funds, Hindu Religious Endowments Board, the chatram charities in the Tanjore district, municipal electrical undertakings (which are worked on a commercial basis), the Administrator-General and Official Trustee, the Suitors Fund (High Court), the endowments under local bodies and private individuals and associations in receipt of grants from Government.

269. *Rents, rates and taxes.*—Rents, including local rates and taxes, if any, recovered from revenue subordinates occupying Government quarters the cost of which is debited to 25. General Administration and in respect of other buildings under the control of the Revenue Department are credited to this minor head.

270. *Other fees, fines and forfeitures.*—The main items of revenue credited to this minor head are fees for stamping weights and measures, cattle-pound receipts (except in Madras City and in reserved and unreserved forests which are credited to XXIII. Police and X. Forest respectively) and fees and other receipts connected with elections to the Central and Provincial Legislatures and local bodies. The object of stamping weights and measures is to induce recognition by shopkeepers and in the bazaar of the established standards. The weights and measures used by shopkeepers are tested and their values according to the recognized standards are recorded on them. The stamping is done by peripatetic stamping parties attached to Collectorates. The scale of fees is so regulated as to cover the expenditure which is debited to 25. General Administration—District Administration—Other establishments—Establishments for stamping weights and measures.

Cattle-pound receipts include fines on impounded cattle, sale-proceeds of such cattle when the fines are not paid or the cattle are not claimed, recoveries of feeding charges from owners and other sundry receipts from the cattle-pounds. The major portion of these receipts is offset by expenditure on the maintenance of the pounds which is debited to 25. General Administration—District Administration and Miscellaneous—Other establishments—Cattle-pounds.

271. *Transfer from deposit accounts.*—This head records the transfer from the Central Government's grant for the economic development and improvement of rural areas which is explained in paragraph 791.

272. *Recoveries of overpayments.*—Recoveries of service payments made in excess in previous years, when the original payment is debited to departments not having a revenue head (25. General Administration and 57. Miscellaneous), are credited to this minor head, such recoveries made within the financial year being adjusted in reduction of expenditure.

273. *Collection of payments for services rendered.*—This head records fees for indicating boundaries, recoveries on account of special staffs employed in laying down regular lines of streets in municipal areas and for acquisition of land for local bodies, recoveries of leave, passage and other contributions (excluding pension contributions) from foreign employers and of commission from wards' estates for the services rendered by the treasury and other establishments in Collectorates, recoveries of repatriation charges from other Governments, payments by the Burma Government for services rendered on its behalf in the treasuries of this Province, and arrear payments by the Central Government for services rendered by Collectors in connexion with passport work, elections to central legislatures, administration of statutory and non-statutory work relating to Haj pilgrimage, the Indian Naturalization Act, 1926, and the British Nationality and Status of Aliens Act, 1914, and war, recoveries on account of village establishments, from non-union panchayats on account of election expenses incurred by the Inspector of Municipal Councils and Local Boards, from local bodies of charges

Reference to pages in the Detailed Budget Estimates of Revenue.

incurred by Collectors in taking execution proceedings on their behalf for recovery of surcharged amounts, from the Hindu Religious Endowments Board on account of percentage charges for collecting its dues and from charitable endowments vested in the Treasurer of Charitable Endowments (the Accountant-General) for the maintenance of their accounts, for which a contribution has to be paid to the Central Government, and other items similar to these. Recoveries from wards' estates on account of the Court of Wards establishments in the Board of Revenue and Collectorates, and contributions on account of the chatram village establishments in the Tanjore district are also credited to this minor head.

274. *Net gain by exchange on local transactions.*—The effect of exchange on sterling transactions relating to the General Provident Fund is booked under this head.

275. *Net gain by exchange on remittance transactions.*—The gain or loss by exchange —see paragraph 689 on debt, deposit and remittance transactions is recorded under this head. If there is a net gain by exchange, it is credited to this head, and if there is a net loss it will be taken as deduction from receipts under this head.

276. *Miscellaneous.*—Sale-proceeds of coir from the Laccadives and the Amindivi Islands which is purchased from funds provided under 25. General Administration—District Administration—General Establishments—Laccadives and Amindivi Establishment, recoveries on account of law charges other than in pauper suits when such charges are debited to heads not having a corresponding revenue head, sale-proceeds of weights and measures, skins, etc., of wild animals for the destruction of which rewards are paid, and materials used for the construction of polling booths, nazarana paid by zamindars on their installation, and all receipts not provided for within the regular classification are credited to this minor head.

Buried treasure which has been discovered and has been declared ownerless under the Indian Treasure Trove Act, 1878, is ordinarily delivered to the finder or divided as prescribed in the Act. In cases where it is not so delivered or divided owing to the failure of the finder to give notice of the discovery to the Government or other causes, the treasure is sold and the sale-proceeds are also credited to this minor head.

The recoveries arising from the operation of the Provincial Loan Account and utilized for amortization of the pre-autonomy and post-autonomy debts hitherto treated as deduction of charges under 23. Appropriation for reduction or avoidance of debt are with effect from 1940–1941 treated as receipts and credited to this head—see paragraph 391.

277. The Central Government have sanctioned the establishment of transmitting stations in this Province at Madras and at Trichinopoly. The expenditure on the establishment, maintenance and operation of these stations and on programmes is met by the Central Government. The Madras Government have, in pursuance of the policy of rural reconstruction and uplift of the population of this Presidency, arranged for the supply of radio receiver sets to a few important villages in each of the areas served by the transmitting stations for the reception and dissemination of broadcast talks from the stations. The cost of installation of public receiving sets, is met by the Provincial Government and debited to the expenditure head 25. General Administration—vide paragraph 436. Recoveries from panchayats and municipal councils of the cost of receiving sets supplied to them by the Radio Engineer and of the maintenance charges of the sets are credited to this head.

278. *Receipts in England.*—Refund of overpayments made in previous years in respect of this Province's share of cost of High Commissioner's establishment and other miscellaneous receipts in England not pertaining to any of the descriptive major heads of revenue are credited to this head.

279. *Refunds.*—Refunds of deposits credited as lapsed under the minor head Unclaimed deposits and of excess recoveries of election charges from local bodies are the main items under this head.

### Explanation of variations.

280. *Fees for Government audit.*—The revised estimate takes credit for arrears of 51
audit fees.

281. *Transfer from the deposit account of grants for economic development and improve-* 51
*ment of rural areas.*—The variations are explained in paragraph 446.

Reference to pages in the Detailed Budget Estimates of Revenue.

51 282. *Collection of payments for services rendered.*—The increase in the revised estimate is due to larger collection of commission due to the Government for the management of certain estates, larger recovery of passage contributions from foreign employers due to the revision of the rates and arrear recoveries of election expenses from non-union panchayats. The budget estimate for 1941–1942 excludes the arrear recoveries of election expenses.

51 and 52. 283. *Miscellaneous.*—The increase in the revised estimate is due to the credit to this head of recoveries arising from the operation of the Provincial Loan Account towards amortization of the portion of pre-autonomy and post-autonomy debts (vide paragraph 277), and larger contributions for Provincial broadcasting from panchayat boards and municipal councils. The budget estimate for 1941–1942 provides for a larger transfer of recoveries arising from the operation of the Provincial Loan Account towards amortization of the loan raised in 1940–1941.

51 284. *Refunds.*—The revised estimate is based on the course of actuals and includes provision for the amount refundable to district boards and municipal councils of the excess recovery of election expenses relating to 1939–1940. The budget estimate for 1941–1942 is based on the actuals of 1939–1940.

### L. Miscellaneous adjustments between Central and Provincial Governments.

| Ref. | — | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 52 | Miscellaneous adjustments between Central and Provincial Governments. | ·27 | ·30 | ·25 | ·25 |

*Revenue.*

285. The fees realized on licences and permits issued by the district authorities under the Petroleum and the Explosives Acts and the rules thereunder are creditable to Central revenues. The Government of India have fixed the payment for agency work done by Provincial officers as the amount of the net fees realized in the Province. The fees were till 1938–1939 credited direct to the Provincial revenue heads. With a view to make both the receipts and payments pass through the Central Accounts, it has been decided that, with effect from 1938–1939, the fees realized on licences and permits issued by the district authorities should be credited to Central revenues by deduction of the amounts from the Provincial receipt heads initially credited, and that, at the same time, an equivalent amount should be credited to the Provincial revenues as payment for the agency functions under the head L. Miscellaneous adjustments between the Central and Provincial Governments by debit to Central Accounts.

The estimates have been fixed by the Accountant-General with reference to the particulars obtained from the district authorities.

Reference to pages in the Detailed Annual Estimate of Expenditure.

## GRANTS.

### Grant I—Land Revenue.

| Ref. | | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 1–9 | 7. Land Revenue— | | | | |
| | Charges of administration .. .. | ·54 | ·53 | ·54 | ·54 |
| | Survey, settlement and record operations .. .. .. .. | 8·17 | 8·04 | 7·87 | 6·00 |
| | Land records .. .. .. | 1·76 | 1·38 | 1·64 | 1·54 |
| | Assignments and compensations .. | 13·11 | 13·76 | 13·78 | 13·75 |
| | Charges in England .. .. | ·21 | ·28 | ·22 | ·04 |
| | Total .. | 23·79 | 23·99 | 24·05 | 21·87 |

*Expenditure.*

286. In this Province the greater part of the cost of the collection and administration of the land revenue is not debited to the major head 7. Land Revenue. The work is performed by the district staffs of the Revenue Department, the cost of which is debited to the head 25. General Administration—District Administration which is included in

Reference to pages in the Detailed Annual Estimate of Expenditure.

Grant XI. A *pro forma* statement showing the proportionate charges on account of the collection and administration of the land revenue is included in paragraph 451. Expenditure incurred exclusively in connexion with the administration of the land revenue is debited to the major head 7. Land Revenue as described below.

287. *Charges of administration.*—Charges on account of special establishments for the survey of land and roads, scrutinizing and mapping subdivisions, and other operations are debited to this minor head. Part of the charges is recovered from local bodies and others who are benefited by these operations. This minor head will not be operated upon from 1941–1942. The charges shown under this head will be included under a sub-head of appropriation 'Maintenance of Ryotwari surveys' subordinate to the minor head 'Land Records.'

288. *Survey, settlement and record operations.*—Charges incurred on account of the Central Survey Office in Madras and the Range and Mobile Survey staff working in the districts are debited to this minor head. Owing to the stoppage of settlement operations, the portion of the charges on account of the officers and establishment of the Board of Revenue, hitherto debited to this head will, with effect from 1941–1942, be debited to 25. General Administration.

289. *Land records.*—The expenditure incurred on the maintenance of records of surveys in estate, municipal and union areas and on record of rights operations is debited to this minor head. The charges on the maintenance of ryotwari surveys now shown under "Charges of Administration" will be included under this head with effect from 1941–1942.

290. *Assignments and compensations.*—The expenditure debited to this minor head is that on assignments of land revenue in lieu of land for the performance of meritorious services to the State, payments to religious institutions in lieu of deductions from the revenue collections, alienations of land revenue to inamdars and other grantees, compensation to excluded proprietors and others in lieu of resumed lands, payments to local bodies in respect of fishery rentals and tree-tax collected by the Revenue Department on their behalf, and payments to mufassal municipalities representing the excess of the ground rent collected over the ordinary agricultural assessment on land in municipal areas.

291. *Charges in England.*—The leave salary and sterling overseas pay of the officers of the Survey department and one-fourth of such charges in respect of the Members of the Board of Revenue and the cost of stores purchased for the Survey office are debited to this head. The charges in respect of members of the Board of Revenue will, with effect from 1941–1942, be debited to 25. General Administration.

## Explanation of variations.

292. *Survey, settlement and record operations.*—Savings in establishment charges due to some of the vacancies in the Survey Department having been kept unfilled and smaller expenditure on boundary pillars and hired labour than was anticipated in the budget mainly account for the decrease in the revised estimate for 1940–1941. 4–7

The decrease in the budget estimate for 1941-1942 is due partly to the transfer from this head to 25. General Administration of the provision for the pay and allowances of the Members, the Joint Secretary and the Settlement branch of the Board of Revenue consequent on the stoppage of settlement operations and partly to the reduction in the permanent strength of survey parties as a result of the transfer, from the 1st April 1941, of maintenance work to the Survey Department and the amalgamation of the district maintenance staff with the survey staff.

293. *Land records.*—The increase in the revised estimate for 1940–1941 is due to the appointment of a special staff for record of rights operations in certain villages in the Vizagapatam district and to the employment of additional staff found necessary for the maintenance of municipal and union surveys. 8

294. *Charges in England.*—No expenditure is anticipated next year on account of law charges connected with Privy Council appeals or on leave salaries of officers and this accounts for the decrease in the budget estimate for 1941–1942.

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Grant II—Provincial Excise.

| Ref. | | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 10–20 | 8. Provincial Excise— | | | | |
| | Superintendence .. .. .. | 2·77 | 2·72 | 2·67 | 2·72 |
| | District executive establishments .. .. | 20·17 | 19·87 | 19·54 | 19·48 |
| | Distilleries .. .. .. .. | ·78 | ·76 | ·75 | ·76 |
| | Cost of opium supplied to Provincial Excise Department .. .. .. .. | 4·88 | 4·68 | 4·14 | 4·36 |
| | Compensations .. .. .. .. | 1·47 | 1·37 | 1·15 | 1·15 |
| | Charges in England .. .. .. | ·22 | ·19 | ·10 | ·12 |
| | **Total** .. | **30·28** | **29·59** | **28·35** | **28·59** |

*Expenditure.*

295. *Superintendence.*—Expenditure relating to the headquarters, divisional and circle supervision in the Excise Department is debited to this minor head. The expenditure relating to headquarters supervision includes one-fourth of the combined pay of all the four Members of the Board of Revenue and all expenditure connected with the establishments employed directly for excise administration in the office of the Board inclusive of the laboratory attached to it. Expenditure relating to divisional and circle supervision represents the expenditure on Deputy and Assistant Commissioners and their staff.

296. *District executive establishments.*—The expenditure on district inspecting and preventive staffs of the Excise Department is debited to this minor head.

297. *Distilleries.*—Expenditure relating to the Government distillery establishments and the staff employed for the supervision of spirituous medicinal preparations manufactured in private laboratories is debited to this minor head. The cost on account of the latter is recovered in full together with leave and pensionary contributions, and credited to the heads VIII. Provincial Excise and XLIV. Receipts in aid of superannuation respectively.

298. *Cost of opium supplied to the Excise Department.*—The cost of opium purchased by the Madras Excise Department from the Ghazipur opium factory is debited to this minor head.

299. *Compensations.*—The items included under this head are (1) compensation paid to the French Government on account of the arrack farm in the Frenchpeta at Masulipatam and rebate of duty on opium and ganja supplied to that Government; (2) compensation paid to the Banganapalle State for the suppression of ganja cultivation and for the administration of the State's opium and excise revenues by the Madras Excise Department; (3) compensation paid to certain Indian States, Coorg, the Civil and Military Station, Bangalore, the Bombay, Bengal and Orissa Governments as the equivalent of the duty collected in this Province on spirituous medicinal preparations, beer and Indian-made foreign spirits exported for consumption in those areas; (4) compensation paid to toddy contractors for losses sustained by them as a result of the introduction of prohibition; and (5) a sum of about Rs. 100 paid every year as toddy compensation to an estate in Chingleput district as a long-standing obligation.

300 *Charges in England.*—Leave allowances and sterling overseas pay of the officers of the Excise Department, one-fourth of such items relating to the Members of the Board of Revenue, the annual contribution to the International Bureau against Alcoholism, Lausanne, and the expenditure on stores for the Excise Department incurred in England are debited to this head.

Explanation of variations.

11 and 16 to 18 — 301. *District executive establishments.*—The decrease in the estimate is mainly due to smaller expenditure under Pay of officers and pay of establishments due to the operation of the revised scales of pay.

Reference to pages in the Detailed Annual Estimate of Expenditure.

302. *Cost of opium supplied to Provincial Excise Department.*—The estimates are based on the expected purchase of opium required for issue in the Province and for supply to Indian States, Coorg, etc., and on the prices advised by the Central Government's factory at Ghazipur. 12

303. *Compensations.*—The decrease in the revised estimate is due to smaller compensation paid to Indian States as the equivalent of duty on spirituous medicinal preparations, beer and Indian made foreign spirits exported for consumption in those areas. 12 and 20

## Grant III—Stamps.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 9. Stamps— | | | | | |
| Non-judicial— | | | | | |
| Charges for the sale of stamps .. | 2·58 | 2·63 | 2·89 | 2·89 | 21–24 |
| Cost of stamps supplied from Central Stamp Stores .. .. .. | ·55 | ·45 | ·63 | ·63 | |
| **Total, Non-judicial ..** | **3·13** | **3·08** | **3·52** | **3·52** | |
| Judicial— | | | | | |
| Charges for the sale of stamps .. | ·80 | ·80 | ·81 | ·81 | |
| Cost of stamps supplied from Central Stamp Stores .. .. .. | 51 | ·65 | ·53 | ·53 | |
| **Total, Judicial ..** | **1·31** | **1·45** | **1·34** | **1·34** | |
| General— | | | | | |
| Superintendence .. .. .. | ·23 | ·22 | ·23 | ·22 | |
| Charges in England .. .. | ·02 | ·01 | ·01 | ·01 | |
| **Total, General ..** | **·25** | **·23** | **·24** | **·23** | |
| **Grand Total ..** | **4·69** | **4·76** | **5·10** | **5·09** | |

*Expenditure.*

304. The expenditure connected with the manufacture and sale of stamps is booked separately as a rule for non-judicial and judicial stamps. The undermentioned charges are exceptions :—

(1) The pay and contingent expenditure of salaried vendors are debited under non-judicial stamps, though they sell both kinds of stamps.

(2) The manufacturing charges for stamped copy papers and the discount allowed to vendors for selling them are debited under judicial stamps, though they are neither judicial nor non-judicial stamps.

(3) The general charges incurred for supervision and transport in connexion with both kinds of stamps, inclusive of charges in England, are combined and booked separately.

NON-JUDICIAL.

305. *Charges for the sale of stamps.*—The pay and contingent expenditure of salaried vendors (who are employed only in Madras City) and the discount allowed to non-salaried licensed vendors in Madras City and in the mufassal are debited to this minor head.

306. *Cost of stamps supplied from Central Stamp Stores.*—All stamps are manufactured by the Central Government's Security Printing Press at Nasik and the charges payable to the Press including the cost of paper are debited to this minor head.

JUDICIAL.

307. *Charges for the sale of stamps.*—The discount allowed to non-salaried vendors in Madras City and in the mufassal for the sale of court-fee stamps and stamped copy papers is debited to this minor head.

308. *Cost of stamps supplied from Central Stamp Stores.*—Vide the corresponding sub-paragraph under the heading " Non-judicial " above.

Reference to pages in the Detailed Annual Estimate of Expenditure.

GENERAL.

309. *Superintendence.*—The expenditure incurred by the Superintendent of Stamps in Madras City, and the freight and other charges incurred by him and by Collectors for the transport and custody of stamps are debited to this minor head. The expenditure in the Superintendent's office represents one-fourth of the pay of the Assistant Superintendent of Stamps and Stationery and of the subordinate and menial staff. The remaining three-fourths is debited to the head "56. Stationery and Printing," as representing the share of the Stationery department. No portion of the pay of the Superintendent of Stamps and Stationery, who is also the Collector of Madras, is debited to either head.

310. *Charges in England.*—These represent mainly the share of the leave salary or sterling overseas pay, as the case may be, of the permanent Assistant Superintendent of Stamps debitable to "9. Stamps."

EXPLANATION OF VARIATIONS.

23 311. *Charges for the sale of stamps—Non-judicial.*—The increases in the estimates are mainly due to anticipated larger sales of stamps under "IX. Stamps—Non-judicial."

21 312. *Cost of stamps supplied from Central Stamp Stores—Non-judicial and Judicial.*—The estimates are based on the probable indents for stamps and on the manufacturing rates advised by the Security Printing Press, Nasik.

**Grant IV—Forest.**

25-29

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 10. Forest— | | | | |
| General direction .. .. .. | 1·39 | 1·33 | 1·43 | 1·42 |
| Conservancy and works .. .. | 12·36 | 11·87 | 12·66 | 12·52 |
| Establishments .. .. .. | 23·24 | 22·63 | 22·80 | 22·25 |
| Charges in England .. .. .. | 1·72 | 1·45 | ·94 | 1·00 |
| Loss or gain by exchange .. .. | .. | .. | .. | .. |
| **Total** .. | **38·71** | **37·28** | **37·83** | **37·19** |

*Expenditure.*

313. *General direction.*—The pay and allowances of the Chief Conservator of Forests, his personal assistants and office establishments, the contingent expenditure of his office and the expenditure on the purchase of clothing and equipment for all forest establishments are debited to this minor head.

314. *Conservancy and works.*—The expenditure debited to this minor head is that incurred as working expenses in extracting timber and other produce from the forests and making them suitable for the market, and on regeneration and replacement in exploited areas and the general maintenance of the forests in a state of normal efficiency. Feed and upkeep of elephants and draught cattle, renewals and replacements of carts, stores, tents, tram-trucks (in Sriharikota in Nellore), tools and boats, purchase of furniture and crockery for inspection bungalows and rest-houses, construction, repairs and upkeep of roads, bridges and buildings, demarcation and maintenance of boundaries, compiling working plans, provision of water facilities in grazing grounds and fire protection are some of the items of maintenance. Regeneration includes sowing, weeding and thinning and cultural operations. Rents for forests taken on lease from private owners, compensation payments to the Muttadars of Rampa, rewards to informers in connexion with forest offences, the moiety of compounding fees paid to forest panchayats in respect of offences in panchayat forests reported by them, games licence compensation payments to the Nilgiri Game Association, the contribution to the Survey of India Department for survey and forest map work done for the Government of Madras, and expenditure on the investigation of the spike disease of sandal and on the manufacture of lac polish and sealing wax, etc., are also debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

315. *Establishments.*—The expenditure shown under this minor head is that on account of Conservators of Forests, District Forest Officers, Inspector of Livestock and Veterinary Assistants, the Provincial Sylviculturist, the Forest Engineer, the Utilization Officer and Working Plans Officers and their subordinate staff and contingencies, Chenchu establishments and training schools for subordinates.

316. *Charges in England.*—Under this minor head are shown the leave salary of officers on leave in England, sterling overseas pay and the cost of stores purchased in England, and the contribution to the Imperial Forestry Institute, Oxford, towards its working expenses.

317. *Loss or gain by exchange.*—This head is explained in paragraph 689.

EXPLANATION OF VARIATIONS.

318. *Conservancy and works.*—The increase in the revised estimate for 1940–1941 and the decrease in the budget estimate for 1941–1942 are mainly due to variations in the expenditure on the transport of timber to depots and the extraction of sandalwood. 30–33

319. *Establishments.*—The increase in the revised estimate for 1940–1941 is due mainly to larger expenditure on travelling allowances on account of forest guards schools and the employment of an additional Assistant Conservator on working-plans duty. The decrease in the budget estimate for 1941–1942 is due to the retirement of a Deputy Conservator and to a larger number of officers being expected to be on leave out of India or on military duty. 34–39

320. *Charges in England.*—The estimates are based on the leave programme of officers. 28

## Grant V—Registration. 40–44

| | Accounts, 1939-1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 11. Registration— | | | | |
| Superintendence .. .. .. | ·63 | ·68 | ·67 | ·71 |
| District charges .. .. .. | 28·00 | 28·41 | 28·23 | 28·44 |
| Charges in England .. .. .. | ·10 | ·11 | ·11 | ·14 |
| **Total ..** | **28·73** | **29·20** | **29·01** | **29·29** |

*Expenditure.*

321. *Superintendence.*—The pay and allowances of the Inspector-General of Registration and of his Personal Assistant and the subordinate staff employed in his office solely for work connected with the administration of the Indian Registration Act, 1908, in this Province are debited to this minor head. The expenditure connected with the other duties of the Inspector-General as Registrar of Joint Stock Companies, Administrator of the Indian Partnership Act, and Registrar-General of Births, Deaths and Marriages is debited to the head 47. Miscellaneous Departments—Registrar of Joint Stock Companies (Central), Administration of the Indian Partnership Act (Provincial) and Registration of Births and Deaths (Provincial).

322. *District charges.*—To this head are debited the pay, allowances and contingent expenditure of District Registrars and Sub-Registrars and their establishments, inclusive of the expenditure on the return of documents to parties by post (which is recovered in advance and credited to the head XI. Registration). The district registration staff performs also work connected with the registration of joint stock companies for which a fixed annual contribution of ·15 lakh is paid by the Central Government. A sum of ·12 lakh out of this is adjusted in reduction of expenditure under this minor head and the balance representing leave and pensionary contribution is credited to the head XLIV. Receipts in aid of Superannuation.

323. *Charges in England.*—These are the cost of the plant, stores and chemicals obtained for the photographic and cine-film processes of copying documents presented for registration.

Reference to pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

43–44 324. *District charges.*—The decrease in the revised estimate for 1940–1941 occurs chiefly under pay of establishments due to savings under leave allowances and the operation of new scales of pay. The decrease is partly counterbalanced by an increase under service postage and telegrams due to enhancement of rates. The budget estimate for 1941–1942 provides, besides the normal provision for leave allowances and accruing increments, for an increase under service postage and telegrams for a full year. The increase is partly offset by savings under pay of officers due to retirement of senior officers in the course of the year.

45–49

## Grant VI—Motor Vehicles Acts.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 12. Charges on account of Motor Vehicles Acts— | | | | |
| Charges of collection .. .. | ·60 | ·62 | ·60 | ·62 |
| Inspection of motor vehicles .. | ·93 | ·59 | ·55 | ·55 |
| Compensations to local bodies .. | 72·66 | 72·14 | 67·89 | 69·21 |
| Other charges .. .. .. | ·64 | 1·07 | 1·28 | 1·19 |
| Charges in England .. .. | ·04 | ·04 | ·04 | ·04 |
| **Total ..** | **74·87** | **74·46** | **70·36** | **71·61** |

*Expenditure.*

325. The expenditure incurred in administering the Motor Vehicles Act, 1939, and the rules issued thereunder and the Madras Motor Vehicles Taxation Act, 1931, and on the collection of the Madras motor vehicles tax is debited to this major head.

326. *Charges of collection.*—The pay, allowances and contingent expenditure of the staff employed for the accounting work connected with the collection of the Madras motor vehicles tax in the office of the Commissioner of Police, who is the estimating officer, and of the staff employed in Madras City and in the mufassal for issuing and checking licences are debited to this minor head.

327. *Inspection of motor vehicles.*—The pay, allowances and other expenditure of the staff employed for the inspection of motor vehicles under the Motor Vehicles Act and the rules issued thereunder, including the honoraria paid to District Superintendents of Police for doing the work in certain districts for which motor vehicle inspectors have not been appointed, the honoraria paid to clerks in the offices of the Commissioner of Police, Madras, and District Superintendents of Police for furnishing extracts (for which fees are levied) from the register of motor vehicles to trading firms and the expenditure on the purchase of brake efficiency testing meters for supply to inspecting officers are debited to this minor head.

328. *Compensations to local bodies.*—To this minor head are debited the payments of compensation to local bodies under the Madras Motor Vehicles Taxation Act, 1931. The procedure for calculating and disbursing these amounts has been described in paragraph 101.

329. *Other charges.*—The expenditure on account of the Central Road Traffic Board and the Road Traffic Boards in the Madras City and in the mufassal, including the pay and allowances of the staff and contingent and other charges, the travelling allowances paid to the non-official members of the Road Traffic Boards and the erection of traffic signs is debited to this minor head.

330. *Charges in England.*—The sterling overseas pay of the Secretary, Central Road Traffic Board, Madras, is debited to this head.

EXPLANATION OF VARIATIONS.

46 331. *Compensations to local bodies.*—The decrease in the revised estimate for 1940–1941 is mainly due to smaller payments on account of the arrears for 1939–1940 and compensation for 1940–1941 owing to decrease in receipts under the Provincial Motor Vehicles Taxation Act. Larger provision for payment of arrears of compensation accounts for the increase in the budget estimate for 1941–1942.

Reference to pages in the Detailed Annual Estimate of Expenditure.

332. *Other charges.*—The increase in the revised estimate for 1940–1941 is due partly to the additional staff sanctioned for certain Road Traffic Boards in the mufassal and partly to the printing of new licence forms, certificates, etc. The budget estimate for 1941–1942 includes provision for the supply of traffic signs and posts and brake efficiency testing meters and for the erection of ramps and sheds required for the inspection of motor vehicles in certain districts. 49

## Grant VII—Other Taxes and Duties. 50–56

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 13. Other Taxes and Duties— | | | | |
| Charges on account of the Madras Regulation of the Sale of Cloth Act, 1937. | ·03 | ·06 | ·03 | ·03 |
| Charges under the Electricity Acts .. | ·78 | ·70 | ·72 | ·73 |
| Entertainments Tax .. .. .. .. | ·50 | 2·33 | 1·07 | 1·33 |
| Commercial Taxes .. .. .. .. | 7·70 | 12·55 | 12·46 | 12·14 |
| Charges in England .. .. .. .. | ·08 | ·15 | ·12 | ·07 |
| **Total** .. | **9·09** | **15·79** | **14·40** | **14·30** |

*Expenditure.*

333. *Charges on account of the Madras Regulation of the Sale of Cloth Act,* 1937.—The charges incurred in the collection of licence fees under the Act are debited to this minor head.

334. *Charges under the Electricity Acts.*—The charges on account of the Chief Electrical Inspector and his staff and contingencies, and those on account of the statutory inspections carried out by the officers of the Electricity Department on behalf of the Chief Electrical Inspector are debited to this head. The charges incurred on account of the staff employed for the administration of the Madras Electricity Duty Act, 1939, are also debited to this head.

335. *Entertainments Tax.*—The charges incurred in the collection of the Entertainments Tax including the manufacturing cost and freight charges of entertainment tax stamps supplied by the Central Stamp Stores, Nasik, are debited to this head. The compensation payable to local authorities under section 13 of the Madras Entertainments Tax Act, 1939, is shown under 57. Miscellaneous—Contributions—*Vide* Paragraph 718.

336. *Commercial Taxes.*—The charges incurred on account of the Commercial Taxes branch of the Board of Revenue (including one-fourth of the combined pay of all the four members of the Board), the Commercial Tax officers, the Deputy and Assistant Commercial Tax officers and their staff for the administration of the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, and the Madras General Sales Tax Act, 1939, are debited to this head.

337. *Charges in England.*—The leave salary and sterling overseas pay of an officer of the Commercial Taxes Department and one-fourth of such charges in respect of the members of the Board of Revenue and the cost of stores purchased for the Chief Electrical Inspector are debited to this head.

### Explanation of variations.

338. *Entertainments Tax.*—The decrease in the revised estimate for 1940–1941 is chiefly due to the fact that the compensation payable to local authorities under section 13 of the Madras Entertainments Tax Act, 1939, is, with effect from the accounts of the current year debited to 57. Miscellaneous—Contributions. The budget estimate for 1941–1942 allows for the payment of a larger amount as commission to local authorities for collection of the tax based on the increased collections in the current year. 55

339. *Commercial Taxes.*—The decrease in the budget estimate for 1941–1942 is due to the non-repetition of the special provision made in the current year for purchase of furniture and other equipment for the Commercial Tax Offices. 55–56

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Irrigation Expenditure.

340. Irrigation works, including navigation, embankment and drainage works, are classified under two major divisions, namely :—

(i) Works for which capital and revenue accounts are kept, subdivided into productive and unproductive works, and

(ii) Works for which neither capital nor revenue accounts are kept.

The first category comprises works for which it is both desirable and possible to maintain accounts on a quasi-commercial basis, and the second comprises works for which the maintenance of such accounts is impossible or unnecessary, either because they produce little or no revenue or because, owing to their restricted size, it is not worthwhile to examine the return from the outlay on each individual work. Ordinarily capital and revenue accounts are kept for each work which costs over ·50 lakh.

341. *Works for which capital and revenue accounts are kept.*—' Capital ' bears all charges for the first construction and equipment of a project, charges for maintenance of sections not opened for working, and charges for subsequent additions and improvements. After the construction estimate of a project is closed, expenditure on extensions and improvements is treated as capital outlay only if the estimates exceed ·01 lakh in each case and are for—

(1) works which are themselves directly remunerative (e.g., new distributaries and works for increasing the canal discharge), or

(2) works which are necessary for the full development of the project, though not directly remunerative.

If the cost of renewals and replacements of the existing works of a project really represents an increase in the capital value of the project and exceeds the cost of the original work by Rs. 1,000 the excess over the original cost is debited in the capital account.

Working expenses include—

(1) repair and maintenance charges,

(2) the cost of extensions and improvements which are considered to be neither directly remunerative in themselves nor necessary for the full development of the project, and of other works for which the estimates do not exceed ·01 lakh in each case, and

(3) the cost of renewals and replacements of existing works, except to the extent to which it is debitable in the capital account.

*Capital expenditure.*

342. Capital expenditure may be incurred on—

(*a*) new productive projects and extensions and improvements of existing projects which are treated as separate works and are productive ;

(*b*) works connected with existing productive systems and treated as parts of the systems ;

(*c*) new unproductive projects ; and

(*d*) works connected with existing unproductive systems.

Productive works are works which are expected to produce after a certain period a net annual return (after deducting all working expenses including maintenance) at least equal to the annual interest at a certain rate (fixed from time to time on the basis of the rate at which the Government expect to be able to borrow over an extended period) on the total capital ' sum-at-charge ' in the capital account of the work. All other works are classed as unproductive.

Capital expenditure on (*a*) may be met from sources other than current revenues, such as accumulated balances and loans, as also that on (*b*), provided an individual work is, by itself productive and its estimated cost is not less than Rs. 10,000. Works connected with the existing productive systems which are not in themselves productive should be financed from current revenues, unless the estimated cost of an individual work exceeds Rs. 5 lakhs when it may be financed from non-revenue sources.

Capital expenditure on (*c*) and (*d*) is ordinarily financed from current revenues subject to the following exceptions :—

(1) If the expenditure is so large that it will be too heavy a charge on current revenues, e.g., expenditure on a work estimated to cost over Rs. 5 lakhs, it may be debited to the Capital Account outside the Revenue Account ; and

(2) if the work is intended to give protection against famine or to prevent famine, it may, irrespective of the amount of the estimated cost, be financed from the Famine Relief Fund, so long as the balance in the fund does not fall below Rs. 40 lakhs.

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Grants for Irrigation Expenditure.

343. Expenditure connected with irrigation is included in the following grants :—

Grant VIII—Irrigation.

Grant XXXII—Capital Outlay on Irrigation.

But these two grants do not show all the expenditure on irrigation. The whole of the actual expenditure on Public Works Department establishments and tools and plant except that on any special establishments for, and on tools, plant and machinery obtained to meet the special requirements of a particular irrigation work is first shown under the major head 50. Civil Works and then distributed *pro rata* at the end of the year between the Irrigation, Civil Works and other heads Though the portion of this expenditure which relates to the Irrigation Department is thus finally booked in the accounts under the major heads included in Grants VIII and XXXII, yet for the purpose of the grants all the expenditure on Public Works Department establishment and tools and plant is included in Grant XXV—Civil Works—Establishment and tools and plant, and no part of it is included in Grants VIII and XXXII—see also paragraph 638.

## Grant VIII—Irrigation.

344. The grant includes the expenditure booked under the major heads shown below :— 57-66

| | Accounts, 1939-1940. | Budget Estimate, 1940-1941. | Revised Estimate, 1940-1941. | Budget Estimate, 1941-1942. |
|---|---|---|---|---|
| XVII. Irrigation, navigation, embankment and drainage works for which capital accounts are kept—Working expenses .. | 27·58 | 29·66 | 28·79 | 26·50 |
| 17. Irrigation—Interest on works for which capital accounts are kept .. .. | 87·91 | 88·15 | 83·12 | 88·26 |
| 18. Irrigation—Other revenue expenditure financed from ordinary revenues— | | | | |
| Public Works Department .. .. | 20·45 | 20·28 | 20·53 | 20·34 |
| Minor Irrigation .. .. .. | 11·90 | 12·12 | 12·08 | 11·54 |
| 19. Construction of irrigation, navigation, embankment and drainage works .. | ·93 | ·40 | ·53 | ·35 |
| **Total ..** | **148·77** | **150·61** | **150·05** | **146·99** |

345. *XVII. Irrigation, navigation, embankment and drainage works for which capital accounts are kept—Working expenses.*—Though working expenses are adjusted in the accounts under a revenue head in reduction of receipts in order to ascertain the net revenue from a project and assess its productivity, they are included in this grant because they involve expenditure from the revenues of the Province. Working expenses include certain expenditure on extensions and improvements, maintenance and repairs, special establishments and special tools and plant.

346. *17. Irrigation—Interest on works for which capital accounts are kept.*—The purpose of this head is explained in paragraph 378.

347. *18. Irrigation—Other revenue expenditure financed from ordinary revenues.*—The expenditure on works including those financed from the Famine Relief Fund for which no capital accounts are kept is recorded under this major head. It is divided into the following two sections :—

Works in charge of the Public Works Department ; and

Minor irrigation works in charge of the Revenue Department.

348. *Works in charge of the Public Works Department.*—Expenditure on original works. extensions and improvements, and maintenance and repairs, and on surveys and investigation of new projects is debited to this section.

349. *Minor irrigation works.*—The expenditure on account of minor irrigation supervisors, overseers and other establishments under the control of Collectors and on ordinary maintenance and repairs of minor irrigation works is debited to this section.

Reference to pages in the Detailed Annual Estimate of Expenditure.

350. *19. Construction of irrigation, navigation, embankment and drainage works.*—Capital outlay on works for which capital and revenue accounts are kept, if met from current revenues or from the Famine Relief Fund, is debited to this major head.

351. The figures by minor heads under the several major heads included in this grant are explained in the succeeding paragraphs.

58–60 **XVII. Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—Working expenses.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Irrigation works—Productive works— | | | | |
| Extensions and improvements .. .. | 1·62 | 1·37 | 3·24 | 1·59 |
| Maintenance and repairs .. .. .. | 20·91 | 19·77 | 20·28 | 19·12 |
| Establishment .. .. .. .. | ·01 | ·01 | ·01 | ·01 |
| Total—Irrigation works—Productive works. | **22·54** | **21·15** | **23·53** | **20·72** |
| Irrigation works—Unproductive works— | | | | |
| Extensions and improvements .. .. | ·06 | — ·03 | — ·02 | ·01 |
| Maintenance and repairs .. .. .. | 1·99 | 1·97 | 2·10 | 2·03 |
| Total—Irrigation works—Unproductive works. | **2·05** | **1·94** | **2·08** | **2·04** |
| Navigation, embankment and drainage works —Unproductive works— | | | | |
| Extensions and improvements .. .. | ·04 | ·07 | ·30 | ·10 |
| Maintenance and repairs .. .. | 1·95 | 1·86 | 1·92 | 1·86 |
| Total—Navigation, embankment and drainage works—Unproductive works. | **1·99** | **1·93** | **2·22** | **1·96** |
| Pension charges .. .. .. .. | 1·00 | 1·01 | ·96 | ·88 |
| Provision for flood repairs .. .. | .. | 3·63 | .. | ·90 |
| **Grand Total ..** | **27·58** | **29·66** | **28·79** | **26·50** |

## Explanation of variations.

### Irrigation Works—Productive Works.

58 352. *Extensions and improvements.*—The increase in the revised estimate for 1940–1941 is due mainly to the inclusion of a provision of 1·90 lakhs for improvements to the Agniar aqueduct of the Grant Anicut Canal, Cauvery Delta system, not contemplated in the budget. The budget estimate for 1941–1942 provides for works in progress and also for a new major work, viz., raising the height of the shutters of the Cauvery and Arasalar regulators of the Cauvery Delta system.

58 353. *Maintenance and repairs.*—The increase in the revised estimate for 1940–1941 is the net effect of variations under the several irrigation systems and it is mostly due to the inclusion under this head of the expenditure on flood repair works for which provision was made in the budget under a separate minor head. The budget estimate for 1941–1942 provides for normal maintenance charges. Provision for flood repairs has been made under a separate minor head.

### Irrigation works—Unproductive works.

58 354. *Maintenance and repairs.*—The increase in the revised estimate for 1940–1941 is chiefly due to expenditure on flood repair works relating to certain irrigation systems. In the budget estimate for 1941–1942 provision for flood repairs has been made under a separate minor head.

### Navigation, Embankment and Drainage Works—Unproductive Works.

59 355. *Extensions and improvements.*—The inclusion of provision for adjustment to this head of the cost of a grab dredger transferred from the Kistna delta system to the Chingleput division for use on the Buckingham Canal accounts mainly for the increase in the revised estimate for 1940–1941.

Reference to pages in the Detailed Annual Estimate of Expenditure.

356. *Provision for flood repairs.*—The provision in the budget estimate for 1940–1941 has been utilized on works included under other minor heads and consequently the revised estimate for 1940–1941 is nil. The budget estimate for 1941–1942 provides, as usual, a lump sum to meet possible contingencies. 59

### 17. Irrigation—Interest on Works for which Capital Accounts are kept. 60

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 17. Irrigation works— | | | | |
| Productive .. .. .. .. | 66·97 | 67·18 | 67·15 | 67·27 |
| Unproductive .. .. .. .. | 17·01 | 17·04 | 17·04 | 17·06 |
| Navigation, Embankment and Drainage works— | | | | |
| Unproductive .. .. .. | 3·93 | 3·93 | 3·93 | 3·93 |
| **Total ..** | **87·91** | **88·15** | **88·12** | **88·26** |

357. The estimates are the result of applying the rates of interest adopted to the cumulative capital outlay up to each of the years mentioned—vide paragraph 386.

### 18. Irrigation—Other Revenue Expenditure financed from Ordinary Revenues. 61–63

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Irrigation Works— | | | | |
| Public Works Department— | | | | |
| Works .. .. .. .. | ·29 | ·27 | ·20 | ·61 |
| Extensions and improvements .. .. | 1·17 | 1·12 | 1·05 | 1·16 |
| Maintenance and repairs .. .. .. | 14·28 | 12·48 | 13·77 | 12·35 |
| Establishments .. .. .. | ·25 | ·44 | ·72 | ·45 |
| Tools and plant .. .. .. | .. | .. | ·26 | — ·15 |
| Other charges .. .. .. .. | ·19 | ·27 | ·53 | ·34 |
| Grants-in-aid .. .. .. .. | ·08 | ·08 | ·08 | ·08 |
| **Total—Public Works Department ..** | **16·26** | **14·66** | **16·61** | **14·84** |
| Minor Irrigation— | | | | |
| Works .. .. .. .. .. | ·20 | ·19 | ·22 | ·19 |
| Maintenance and repairs .. .. .. | 9·24 | 9·41 | 9·40 | 8·87 |
| Establishment .. .. .. .. | 2·45 | 2·51 | 2·45 | 2·47 |
| Grants-in-aid .. .. .. .. | ·01 | ·01 | ·01 | ·01 |
| **Total—Minor Irrigation ..** | **11·90** | **12·12** | **12·08** | **11·54** |
| **Total—Irrigation Works ..** | **28·16** | **26·78** | **28·69** | **26·38** |
| Navigation, Embankment and Drainage Works— | | | | |
| Public Works Department— | | | | |
| Works .. .. .. .. | .. | ·01 | .. | ·05 |
| Extensions and improvements .. .. | ·16 | ·47 | ·37 | ·52 |
| Maintenance and repairs .. .. | 3·98 | 3·91 | 3·51 | 4·37 |
| Miscellaneous expenditure .. .. | ·01 | ·01 | .. | .. |
| Other charges .. .. .. | ·04 | ·01 | ·04 | ·01 |
| **Total—Navigation, etc., works ..** | **4·19** | **4·41** | **3·92** | **4·95** |
| Lump deduction for probable savings .. | .. | .. | .. | — ·01 |
| Provision for flood repairs .. .. | .. | 1·21 | .. | ·56 |
| **Grand Total ..** | **32·35** | **32·40** | **32·61** | **31·88** |

Reference to pages in the Detailed Annual Estimate of Expenditure.



EXPLANATION OF VARIATIONS.

IRRIGATION WORKS—PUBLIC WORKS DEPARTMENT.

61 358. *Works.*—The budget estimate for 1941–1942 provides for works in progress.

61 359. *Extensions and improvements.*—The budget estimate for 1941–1942 includes provision for a new major work, improvements to the Owk tank system, Kurnool district, and for works in progress.

61 360. *Maintenance and repairs.*—The increase in the revised estimate for 1940–1941 is mainly due to expenditure on flood repair works for which provision was made in the budget estimate under a separate head "provision for flood repairs" now being shown under this head. The decrease in the budget estimate for 1941–1942 is due mainly to provision for flood repairs having been made separately.

61 361. *Establishments, tools and plant and other charges.*—The increase in the revised estimate for 1940–1941 is mainly due to the formation of a temporary division and sub-division for the investigation of the Tungabhadra and Gundlakamma projects. The budget estimate for 1941–1942 provides for the continuance of the Tungabhadra project division up to the middle of the year and for agricultural experiments at Siruguppa and takes credit for the return of certain tools to the Public Works stores after completion of the investigation.

MINOR IRRIGATION.

62 362. *Maintenance and repairs.*—The budget estimate for 1941–1942 provides for normal requirements, which are now somewhat reduced owing to extensive improvements made under the special accelerated scheme.

NAVIGATION, EMBANKMENT AND DRAINAGE WORKS—PUBLIC WORKS DEPARTMENT.

63 363. *Extensions and improvements.*—The decrease in the revised estimate for 1940–1941 is due mainly to the late starting of the work of reconstructing the Torigedda out-fall sluice on the left bank of the Akhanda Godavari. The budget estimate for 1941–1942 provides for the completion of the above work and for some new minor works.

63 364. *Maintenance and repairs.*—The bulk of the expenditure under this head relates to conservancy operations on the Godavari, Kistna, Cauvery and Coleroon rivers. The decrease in the revised estimate for 1940–1941 is due mainly to retarded progress on conservancy works in the River Conservancy division consequent on unexpected floods and rains during the closure months and to the non-execution of a few works in the Guntur division as being unnecessary. The budget estimate for 1941–1942 includes provision for a special repair work in the River Conservancy division and for a new work, viz., improvements to the West Coast canals in the Malabar district.

63 365. *Provision for flood repairs.*—See paragraph 356.

64–65 **19. Construction of Irrigation, Navigation, Embankment and Drainage Works.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Financed from Ordinary Revenues— | | | | |
| Irrigation works— | | | | |
| Productive works | ·45 | ·02 | ·06 | ·01 |
| Unproductive works | ·45 | ·37 | ·43 | 16 |
| Navigation works— | | | | |
| Unproductive | .. | .. | ·03 | ·17 |
| Pension charges | ·03 | ·01 | ·01 | ·01 |
| Lump addition for regrant of lapses | .. | ·01 | .. | ·01 |
| Lump deduction for probable savings | .. | —·01 | .. | —·01 |
| **Total** | ·93 | ·40 | ·53 | ·35 |

EXPLANATION OF VARIATIONS.

IRRIGATION WORKS

64 366. *Unproductive works.*—The budget estimate for 1941–1942 provides for the extension of field channels under the Duvvaleru project. No other work is contemplated next year.

NAVIGATION WORKS.

65 367. *Unproductive works.*—The estimates provide for the reconstruction of the Kothapatnam bridge across the Buckingham canal.

Reference to page in the Detailed Annual Estimate of Expenditure.

## 22. Interest on debt and other obligations.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | 67–70 |
|---|---|---|---|---|---|
| Interest on ordinary debt— | | | | | |
| Interest on permanent loans .. .. | 11·36 | 13·75 | 15·19 | 15·63 | |
| Discount on loans .. .. .. | 2·25 | .. | 3·48 | .. | |
| Floating loans .. .. .. .. | 2·71 | 4·00 | ·96 | 2·50 | |
| Other items (including expenditure connected with the issue of a new loan). | 1·12 | 4·70 | ·54 | ·16 | |
| Interest on loans taken from the Central Government. | 33·43 | 33·16 | 33·16 | 32·88 | |
| *Deduct*— | | | | | |
| Interest realized on investments of cash balances. | .. | .. | .. | .. | |
| **Total** .. | **50·87** | **55·61** | **53·33** | **51·17** | |
| Interest on unfunded debt— | | | | | |
| Special loans .. .. .. .. | ·14 | ·15 | ·15 | ·14 | |
| State provident funds .. .. .. | 15·26 | 15·68 | 15·83 | 16·28 | |
| **Total** .. | **15·40** | **15·83** | **15·98** | **16·42** | |
| Interest on other obligations .. .. | ·13 | ·12 | ·14 | ·15 | |
| **Gross Total** .. | **66·40** | **71·56** | **69·45** | **67·74** | |
| *Deduct*— | | | | | |
| Interest transferred to commercial departments. | — 111·42 | — 115·13 | — 114·86 | — 118·61 | |
| Interest portion of equated payments on account of commuted value of pensions. | — ·38 | — ·37 | — ·07 | .. | |
| **Net Total** .. | **— 45·40** | **— 43·94** | **— 45·48** | **— 50·87** | |

### Interest on ordinary debt.

368. The term ordinary debt covers all loans taken from the Central Government or raised in the open market, and includes temporary ways and means advances made by the Reserve Bank of India.

369. *Interest on permanent loans.*—The term permanent loans applies here to loans with a currency of more than twelve months from the date of issue other than loans from the Central Government.

370. *Discount on loans.*—When the issue price of a loan is fixed at less than the nominal par value, the difference between the par value and the issue price is termed discount. It is debited to this head either in full in the year in which the loan is raised or in instalments over a period not exceeding the currency of the loan.

371. *Floating loans.*—These are temporary loans with a currency of not more than twelve months. They include loans raised by selling treasury bills in the market and also ways and means advances from the Reserve Bank of India. The discount (which is really interest on the amount borrowed) on treasury bills actually maturing in a financial year, the discount which has accrued up to the end of a financial year on the bills maturing in the subsequent year and the interest on ways and means advances repaid during a financial year are debited to this head.

372. *Other items.*—To this minor head is debited the remuneration paid to the Reserve Bank of India for the management of the Government's public debt and also all expenses connected with the issue of new loans inclusive of commission, brokerage, advertisement charges, etc., and other expenditure connected with the issue of treasury bills and miscellaneous items.

373. *Interest on loans taken from the Central Government.*—The loans due to the Central Government as on the 31st March 1937 have been consolidated into a single loan repayable in 45 years from the year 1937–1938 with interest at 4·50 per cent. The annual equated

Reference to pages in the Detailed Annual Estimate of Expenditure.

payment in respect of both interest and principal is 39·29 lakhs payable in half-yearly instalments on the 15th September and the 15th March. The portion representing interest is debited to this minor head. The interest portion for 1937–1938 represented interest for only eleven and a half months from the 1st April 1937 to the 15th March 1938. A full year's interest became payable each year from 1938–1939, the amount decreasing in each successive year from 1939–1940, as a result of the gradual repayment of the principal. The portion representing repayment of principal (which is debited to the head 23. Appropriation for reduction or avoidance of debt) will therefore increase in successive years to the same extent.

374. *Deduct—Interest realized on investments of cash balances.*—When the Government invest any part of their cash balance in their own securities, the interest realized is taken as a deduction of expenditure under this head.

### Interest on unfunded debt.

375. Unfunded debt includes certain ancient and irredeemable interest-bearing obligations which are treated as special loans and also the provident fund deposits of servants of the Madras Government.

376. *State provident funds.*—The liability on account of State provident fund deposits devolved on the Madras Government as from the 1st April 1937 in respect of their servants. The rate of interest allowed on the deposits in a particular year is ordinarily the average borrowing rate during the five preceding financial years, provided that, if the rate of interest thus determined for a year is less than 4 per cent, all existing subscribers to the General Provident Fund in the year preceding that for which the rate has, for the first time, been fixed at less than 4 per cent, shall be allowed interest at 4 per cent.

377. *Interest on other obligations.*—Under this head is debited interest paid in pursuance of court decrees and also interest on the depreciation reserves deposited with the Government in respect of the Cinchona Plantations, the Kerala Soap Institute and the Industrial Engineering Workshops, the accounts of which are maintained on commercial principles. The interest on depreciation reserve deposits is credited to the appropriate heads under XXXII. Industries. The rate of interest allowed is the same as that charged to the concerns on the capital invested in them under the arrangement described in the next paragraph.

378. *Deduct—Interest transferred to commercial departments.*—The Irrigation and Electricity Systems for which capital and revenue accounts are kept are treated as quasi-commercial concerns, whilst certain other undertakings (including those just mentioned above), are treated as commercial undertakings and regular profit and loss statements are prepared for them every year.

The capital outlay on these objects may have been met from loans (the interest on which is debited to the minor head Interest on ordinary debt) or from current revenues or balances or net receipts under deposits and advances. As a preliminary to ascertaining the profit or loss on each of these undertakings, the departmental head concerned (namely, 17. Irrigation—Interest on works for which Capital accounts are kept, 43. Industries or 52. Interest on capital outlay on electricity schemes) is debited with interest on the total capital outlay irrespective of the source from which it was actually provided. The amount debited as interest to these heads is shown as a deduction under the present head 22. Interest on debt and other obligations. This is only a book adjustment as between different heads of account and does not affect the expenditure as a whole.

The interest debited to commercial departments in a particular year was calculated at the following rates up to and in the year 1936–1937 :—

(*a*) in respect of capital outlay incurred prior to 1917–1918, a fixed rate of 3·3252 per cent, being the rate charged by the Central Government on the pre-Reform irrigation debt representing outlay to the end of 1916–1917 (before it was included in the consolidated loan as from the 1st April 1937), and

(*b*) in respect of capital outlay incurred during the years 1917–1918 to 1936–1937, the rate which the total interest paid by the Government in the particular year in which the adjustment is made bears to the Government's total outstanding borrowings at the end of the year.

Reference to pages in the Detailed Annual Estimate of Expenditure.

From the year 1937–1938, the interest to be debited to commercial departments is calculated at the following rates :—

(*a*) in respect of capital outlay incurred prior to 1937–1938, a fixed rate of 4·50 per cent (the rate of interest on the consolidated loan taken from the Central Government) irrespective of the year in which the capital outlay was incurred, and

(*b*) in respect of capital outlay incurred in each year from 1937–1938, a rate to be fixed by the Government for that year with reference to the borrowing conditions of the year and the desirability of avoiding minor variations in the rate from year to year.

It would not be reasonable to charge in a year a full year's interest on the outlay spread over the several months of that year. Interest is therefore calculated on the cumulative capital outlay at the beginning of the year and on half the capital outlay during that year, that is to say, on the average of the cumulative capital outlay as at the commencement and at the close of the year.

379. *Deduct—Interest portion of equated payments on account of commuted value of pensions.*—This is explained in paragraph 757.

### EXPLANATION OF VARIATIONS.

380. *Interest on permanent loans.*—The budget estimate for 1940–1941 provided under this head for a full year's interest, payable in two half-yearly instalments, on the outstanding balances of the Madras Government 3 per cent loans, 1952, 1953 and 1959 and a lump-sum provision of 4·50 lakhs was made separately for meeting all the charges connected with the issue of a new loan in 1940–1941 including the interest to be paid on it during the year. This new loan which was only a further issue (second issue) of the Madras Government 3 per cent loan, 1952, was issued on the 27th September 1940 and the annual interest of 2·08 lakhs on it is payable in two instalments on the 1st September and 1st March, i.e., on the same dates on which interest falls due for the first issue of the loan in 1937. The revised estimate for 1940–1941 provides for a full year's interest payable on the three loans and for one half-yearly payment of interest in March 1941 on the second issue of the Madras Government 3 per cent loan, 1952. 67

The budget estimate for 1941–1942 provides for the payment of a full year's interest on the outstanding balances of all the loans mentioned above after taking into account the reduction of balances due to the securities purchased from the Depreciation Funds of the loans and cancelled.

381. *Discount on loans.*—The second issue of the Madras Government 3 per cent loan, 1952, of the nominal value of 69·52 lakhs was issued in September 1940 at Rs. 95 per cent, i.e., at a discount of Rs. 5 per cent. The discount of 3·48 lakhs is shown in the revised estimate under this head. 67

382. *Floating loans.*—The decrease in the amount of interest payable on ways and means advances and treasury bills in the current year as compared with that anticipated in the budget, is due to the favourable rate of discount on treasury bills issued and a reduction in the rate of interest charged on ways and means advances from 1st April 1940. The budget estimate for 1941–1942 is based on the forecast of the temporary borrowings required in that year and on the average rate of interest paid on temporary borrowings in the past two years. 67

383. *Other items (including expenditure connected with the issue of new loans).*—Against a provision of 4·50 lakhs made in the budget estimate for 1940–1941 to meet the expenditure on interest, discount, brokerage, commission and other charges to be paid on the new loan raised in the year, the expenditure on interest and discount are shown in the revised estimate under the appropriate minor heads, all other charges being shown under this head. No loan is proposed to be raised next year and consequently no provision has been made under this head for the purpose in the budget estimate for 1941–1942. 67

384. *Interest on loans taken from the Central Government.*—The annual equated payment on the consolidated loan is 39·29 lakhs. Of this, the interest payment on the outstanding balance is shown under this head. See also paragraph 373. 68

385. *Interest on unfunded debt—State Provident Funds.*—According to the procedure explained in paragraph 376 above, the rate of interest has been fixed at $3\frac{1}{4}$ per cent per annum for 1940–1941 and 1941–1942, except in respect of those deposits in the General Provident Fund on which the Government have to pay 4 per cent per annum. The increase in the revised estimate for 1940–1941 and in the budget estimate for 1941–1942 is due to the progressive increase in the balances to the credit of the funds. 68

Reference to pages in the Detailed Annual Estimate of Expenditure.



69 386. *Deduct—Interest transferred to commercial departments.*—The figures for cumulative capital outlay and the rates of interest adopted for calculating this interest are shown below :—

CAPITAL OUTLAY.

| Particulars. | To nd of 1939–1940. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | Total to end of 1941–1942. |
|---|---|---|---|---|
| (1) | 2) | (3) | (4) | (5) |
| *Irrigation, etc., works.* | | | | |
| Irrigation works— | | | | |
| Productive .. .. .. .. .. .. .. .. | 14,91·38 | 3·64 | 1·50 | 14,96·52 |
| Unproductive .. .. .. .. .. .. .. | 3,78·52 | ·56 | ·21 | 3,79·29 |
| Navigation works .. .. .. .. .. .. .. | 87·27 | ·04 | ·22 | 87·53 |
| Total, Irrigation, etc., works .. | 19,57·17 | 4·24 | 1·93 | 19,63·34 |
| *Industries.* | | | | |
| Cinchona .. .. .. .. .. .. .. .. | 19·04 | 6·11 | — 8·58 | 16·57 |
| Kerala Soap Institute .. .. .. .. .. .. .. | 2·41 | — ·02 | — ·22 | 2·17 |
| Industrial Engineering Workshops .. .. .. | 1·16 | ·04 | ·03 | 1·23 |
| Total, Industries .. | 22·61 | 6·13 | — 8·77 | 19·97 |
| Electricity Systems .. .. .. .. .. .. .. | 5,48·12 | 76·27 | 81·37 | 7,05·76 |
| Grand total .. | 25,27·90 | 86·64 | 74·53 | 26,89·07 |

RATE OF INTEREST.

| Period during which the capital outlay was incurred. | Rate of interest charged in the accounts. |
|---|---|
| (1) | (2) |
| | PER CENT. |
| Capital outlay incurred before 1st April 1937 .. .. .. | 4·50 |
| Capital outlay in 1937–1938 .. .. .. .. .. | 4·35 |
| Capital outlay in 1938–1939 .. .. .. .. .. | 4·25 |
| Capital outlay in 1939–1940 .. .. .. .. .. | 4·25 |
| Capital outlay in 1940–1941 (Revised Estimate) .. .. .. | 4·75 |
| Capital outlay in 1941–1942 (Budget Estimate) .. .. .. | 4·75 |

69 387. *Deduct—Interest portion of equated payments on account of commuted value of pensions.*—The budget estimate for 1940–1941 took credit for interest on about 10 lakhs being the balance of commuted value of pensions debited to capital in 1938–1939 and which was at first proposed to be repaid from revenues in the current year. This balance was, however, adjusted in the accounts for 1939–1940. The revised estimate for 1940–1941 provides for the payment of interest on the net expenditure debited to capital in 1939–1940. As the expenditure on commutation of pensions during 1940–1941 and 1941–1942 will be met from current revenues, no provision has been made for the payment of interest in the budget estimate for 1941–1942.

## 23. Appropriation for reduction or avoidance of debt.

| | Particulars. | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 70 | Sinking Funds—(Provincial Loans) .. | 10·24 | 13·92 | 14·43 | 17·68 |
| | Other Appropriations— | | | | |
| | Repayment of loans taken from the Central Government. | 5·86 | 6·13 | 6·13 | 6·41 |
| | *Deduct*—Repayments made from the recoveries arising from the operations of the Provincial Loan Account— | | | | |
| | (i) Pre-autonomy Debt .. .. | — 2·56 | — 2·67 | .. | .. |
| | (ii) Post-autonomy Debt .. .. | — 6·80 | — 8·66 | .. | .. |
| | Total .. | 6·74 | 8·72 | 20·56 | 24·09 |

Reference to pages in the Detailed Annual Estimate of Expenditure.

388. *Sinking Funds.*—Amounts set apart each year for the sinking funds in respect of loans raised in the open market and repayable after a prescribed period are debited to this head and credited to the deposit head 'Appropriation for reduction or avoidance of debt—Sinking funds.' The deposit head is credited direct with the profits realized from the investment of the balances in the sinking funds and debited with charges for the redemption of debt either by the purchase of securities for cancellation or by direct discharge.

389. *Other Appropriations.*—This head is intended for the record of appropriations from revenues for reduction or avoidance of debt other than specific appropriations for regularly constituted sinking funds.

390. *Repayment of loans taken from the Central Government.*—The debits to this head represent that portion of the annual equated payment to the Central Government which is treated as repayment of the principal of the consolidated loan and also any special repayment of principal that may be made to the Central Government.

391. *Deduct—Repayments made from the recoveries arising from the operations of the Provincial Loan Account*—(i) *Pre-autonomy Debt.*—The pre-autonomy debt due to the Central Government mentioned in the foregoing paragraph includes also a portion (viz., 32·45 lakhs) which was utilized for re-lending to local bodies and others. Recoveries are being made from the latter and it is expected that this sum will be recovered in full by 1948–1949. The annual equated payment on this sum repayable with interest at $4\frac{1}{2}$ per cent per annum (the rate of interest on the consolidated pre-autonomy debt due to the Central Government) in half-yearly equated payments from 1937–1938 to 1948–1949 is 3·77 lakhs. The portion of this payment representing principal is adjusted in reduction of the portion representing principal in the annual equated payment made to the Central Government from the current revenues of the Province in respect of the consolidated debt, by transfer from recoveries initially credited as receipts under Loans and Advances by the Provincial Government. As a result of the gradual repayment of the principal, the interest portion of the repayment shows a decrease in each successive year from 1938–1939 and there is a corresponding increase in the portion representing principal to be shown as a deduction under this head.

(ii) *Post-autonomy Debt, i.e., loans raised by the Government in the open market after 1st April* 1937.—The amount of each open market loan utilized for re-lending to agriculturists, local bodies, etc., from 1937–1938 is amortised by annual contributions beginning from the financial year after that in which each such loan is raised and continuing throughout the period of currency of the open market loan. The contribution is calculated on a Sinking Fund basis at a rate of betterment equal to the nominal rate of interest on the loan and an amount equal to this annual contribution is adjusted from recoveries under the Provincial Loan Account by credit under this head as a deduct entry.

(iii) With effect from the accounts for 1940–1941, the credits relating to the deduct entries referred to in sub-paragraphs (i) and (ii) above are shown under the receipt head XLVI. Miscellaneous—Miscellaneous. No provision has therefore been entered under the two heads in the revised estimate for 1940–1941 and the budget estimate for 1941–1942.

### Explanation of variations.

392. *Sinking Funds—(Provincial Loans).*—The estimates provide for the following :— 70

| Particulars. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|
| (1) Contributions to the Depreciation Funds of the Madras Government Loans. | 6·98 | 6·98 | 8·02 |
| (2) Contribution to the General Sinking Fund in respect of the loans raised by the Madras Government in the open market. | 6·94 | 7·45 | 9·66 |
| Total .. | 13·92 | 14·43 | 17·68 |

In accordance with the notifications inviting applications for the four open-market loans raised by the Madras Government in 1937, 1938, 1939 and 1940, the following provision for the amortisation of each loan is made annually beginning with the financial year after that in which each of the loans was raised :—

(1) *Contribution to the Depreciation Fund.*—A sum equal to $1\frac{1}{2}$ per cent of the total nominal value of the loan is set apart annually for the purchase of securities of the loan for cancellation.

Reference to pages in the Detailed Annual Estimate of Expenditure.

(2) *General Sinking Fund.*—In addition to the annual contributions to the respective Depreciation Funds, an annual contribution is also made to a General Sinking Fund for the amortisation of the loans raised by the Government in the open market.

The amounts provided for amortisation and the distribution of the amount relating to each loan between the Loan Depreciation Fund and the General Sinking Fund are as shown below :—

| Year. | Total provision for amortisation. | Distribution between Loan Depreciation Fund. | Distribution between General Sinking Fund. |
|---|---|---|---|
| Revised Estimate, 1940–1941— | | | |
| 3 per cent loan, 1952, I issue .. .. | 4·99 | 2·46 | 2·53 |
| 3 per cent loan, 1953 .. .. | 5·25 | 2·27 | 2·98 |
| 3 per cent loan, 1959 .. .. .. | 4·19 | 2·25 | 1·94 |
| **Total ..** | **14·43** | **6·98** | **7·45** |
| Budget Estimate, 1941–1942— | | | |
| 3 per cent loan, 1952, I issue .. .. | 4·99 | 2·46 | 2·53 |
| Do. II issue .. | 3·25 | 1·04 | 2·21 |
| 3 per cent loan, 1953 .. .. | 5·25 | 2·27 | 2·98 |
| 3 per cent loan, 1959 .. .. | 4·19 | 2·25 | 1·94 |
| **Total ..** | **17·68** | **8·02** | **9·66** |

## 25. General Administration.

393. Charges which cannot suitably be accounted for under any other major head of expenditure are debited to the major head 25. General Administration. In view of the volume and heterogenous character of this expenditure, it has been distributed for convenience over three grants as follows :—

Grant IX. Heads of Provinces, Ministers and Headquarters staff.

Grant X. Legislative Bodies.

Grant XI. District Administration and Miscellaneous.

71–106 **Grant IX—Heads of Provinces, Ministers and Headquarters Staff.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 25. General Administration— | | | | |
| Heads of Provinces and Ministers— | | | | |
| Salary of the Governor .. .. .. | 1·24 | 1·20 | 1·17 | 1·20 |
| Sumptuary allowance .. .. .. | ·18 | ·18 | ·18 | ·18 |
| Secretarial staff of the Governor .. .. | ·86 | 1·12 | ·61 | ·60 |
| Staff and household of the Governor .. | 3·92 | 4·19 | 4·27 | 4·15 |
| Expenditure from contract allowance .. | ·92 | ·90 | ·92 | ·90 |
| Tour expenses .. .. .. .. | 1·45 | 1·33 | 1·33 | 1·31 |
| Discretionary grants by His Excellency the Governor .. .. .. .. | ·25 | ·25 | ·25 | ·25 |
| Ministers .. .. .. .. | 1·58 | 2·42 | .. | .. |
| Advisers .. .. .. .. | ·60 | ·01 | 1·87 | 1·86 |
| Secretariat and Headquarters establishments— | | | | |
| Civil Secretariats .. .. .. | 16·91 | 16·59 | 16·04 | 15·98 |
| Public Service Commission .. .. | 1·84 | 1·72 | 1·64 | 1·52 |
| Board of Revenue, Financial Commissioner and establishments .. .. .. | 1·89 | 1·92 | 1·86 | 3·42 |
| Local Fund Audit establishments .. | 3·73 | 3·78 | 3·74 | 3·84 |
| Agent for Government Consignments .. | ·11 | ·10 | ·10 | ·10 |
| Miscellaneous—Deduct—Contributions recoverable from other Governments, Departments, etc. .. .. .. .. | — ·57 | — ·99 | — ·55 | — ·59 |
| Charges in England .. .. .. | 2·06 | 1·48 | 1·25 | 1·55 |
| **Total ..** | **36·97** | **36·20** | **34·68** | **36·27** |

*Expenditure.*

394. The Third Schedule to the Government of India Act, 1935, and the Government of India (Governors' Allowances and Privileges) Order, 1936, issued thereunder, regulate the salary and allowances of His Excellency the Governor, and the funds (except in respect of discretionary grants) to be provided to enable him to discharge the duties of his office.

395. *Salary of the Governor.*—The annual salary fixed in the Third Schedule to the Act for the Governor of Madras is Rs. 1,20,000.

396. *Sumptuary allowance.*—This is an allowance granted to the Governor for expenditure on social functions, such as balls, dinners and luncheons, and the entertainment of distinguished visitors at Government House. Provision is made in the budget for such amount, subject to the yearly maximum of Rs. 18,000 fixed under the Government of India (Governors' Allowances and Privileges) Order, 1936, as the Governor may consider necessary for any year. The provision for any year cannot be increased by the amount, if any, not expended in previous years. The expenditure from the allowance is not subject to audit.

397. *Secretarial staff of the Governor.*—The expenditure on pay and allowances and other facilities provided for the Secretarial staff including the Private Secretary to the Governor, as determined by the Governor under section 305 of the Government of India Act, 1935, is debited to this minor head.

398. *Staff and household of the Governor.*—The items of expenditure which are debited to this minor head and the maximum yearly amount fixed for each in the Government of India (Governors' Allowances and Privileges) Order, 1936, are as follow :—

| | Maximum yearly amount. |
|---|---|
| | RS. |
| (*a*) Military Secretary and his establishment .. .. .. | 1,19,300 |
| (*b*) Band .. .. .. .. .. | 43,000 |
| (*c*) Bodyguard .. .. .. .. .. .. | 1,24,000 |
| (*d*) Surgeon and his establishment .. .. .. .. | 36,000 |
| (*e*) Maintenance and repairs of furnishings of official residences .. | 21,500 |
| (*f*) Maintenance of gardens in Government Houses including garden establishments. | 49,000 |
| **Total ..** | **3,92,800** |

The maximum yearly amount under item (*a*) or item (*c*) may in any year be increased by such amount as is necessary to defray the leave allowances of any officer, for whose pay provision is made under it, the cost of providing for any of those officers such free passages, if any, to or from India as may from time to time be authorized by the Secretary of State, and any pension charges payable in respect of any of those officers.

The maximum amount under item (*d*) may in any year be increased by such amount as the Governor may consider necessary to defray any leave allowances and pension charges payable in respect of the Surgeon and any member of his establishment.

The maximum amount under item (*e*) may in any year be increased by the amount not expended in previous years and by such further amount not exceeding 25 per cent of the maximum as the Secretary of State for India may by special direction authorize.

The amount under item (*f*) is part of the limit fixed jointly for the undermentioned expenditure in respect of official residences of the Governor :—

| | RS. |
|---|---|
| (1) Improvements to official residences .. .. .. .. | 50,000 |
| (2) Maintenance of gardens .. .. .. .. .. | 49,000 |
| (3) Electricity .. .. .. .. .. .. | 45,000 |
| (4) Water .. .. .. .. .. .. .. | 18,000 |
| (5) Taxes .. .. .. .. .. .. .. | 65,000 |
| (6) Repairs .. .. .. .. .. .. .. | 98,000 |
| Total .. | **3,25,000** |

Reference to pages in the Detailed Annual Estimate of Expenditure.

Item (2) is provided under the present head and the others under 50. Civil Works—see paragraphs 626 and 630. It is permissible for the Governor to reappropriate between these items without exceeding the limit of Rs. 3,25,000 in any financial year.

The following items of expenditure, if and when incurred in India, are also debited to this minor head :—

(1) Equipment and travelling allowances in connexion with the appointment of a new Governor and the allowance for the purchase of suitable motor cars for his use including freight and insurance for transporting them to the Province, as fixed under the Government of India (Governors' Allowances and Privileges) Order, 1936.

(2) An Inauguration grant equal to the actual expenses incurred in renewing the furnishings of the official residences, subject to a maximum of Rs. 70,000, may be paid to each Governor. If, when the Governor assumes office, the period which has elapsed since his predecessor assumed office (Acting Governors being disregarded) falls short of five years, the maximum so specified shall be decreased by such amount as the Secretary of State may by special order determine. This allowance may be drawn in any year or years during his tenure of office. The expenditure under this minor head is subject to audit.

399. *Expenditure from contract allowance.*—This allowance is intended to cover miscellaneous expenses, e.g., those incurred for stable establishments and contingencies, the liveries, wages, allowances, pensions, etc., of household servants and the maintenance of motor cars supplied to the Governor at the cost of the State, and the special expenditure which the Governor may have to incur when the Viceroy visits the Province. The allowance is subject to a maximum yearly amount of Rs. 92,000, but the maximum allowance for any year may be increased by the amount of any portion of the maximum contract allowances not expended in previous years. This expenditure is not subject to audit.

400. *Tour expenses.*—The items included under this minor head comprise charges for special trains and the haulage of saloon carriages when a special train is not used, reserved accommodation for the members of the Governor's family and payments and presents for services rendered on tour, miscellaneous charges for the carriage of camp equipment, purchase and upkeep of motor cars and lorries for use on tours and charges for the maintenance of saloons payable to the Railways.

The maximum yearly expenditure on items other than the maintenance of saloons is fixed at Rs. 1,13,000 under the Government of India (Governors' Allowances and Privileges) Order, 1936. The maximum amount may in any year be increased by such further amounts not exceeding twenty-five per cent of the maximum as the Secretary of State may by special direction authorize. In addition, the Secretary of State for India may, by general or special order, authorize further amounts for the maintenance, improvement, renewal or replacement of the Governor's official railway saloons. The expenditure so authorized is Rs. 15,000 in 1937–1938 and Rs. 20,000 from 1938–1939 till 1943–1944. The expenditure under this minor head is subject to audit.

401. *Discretionary grants by His Excellency the Governor.*—A lump sum is placed every year at the disposal of His Excellency the Governor for making petty grants and charitable donations to hospitals and other local institutions of a public or quasi-public character, which deserve assistance from public funds. The expenditure is subject to audit.

402. *Ministers.*—The expenditure on the pay and allowances of Ministers and their Parliamentary Secretaries, the subordinate and menial staff attached to the Ministers and telephone and other contingent charges is debited to this minor head.

403. *Advisers.*—The expenditure on the pay and allowances of Advisers to His Excellency the Governor appointed under the present form of administration under section 93 of the Government of India Act, 1935, and the subordinate and menial staff attached to them and telephone and other contingent charges, is debited to this minor head.

404. *Civil Secretariats.*—The expenditure connected with the departments of the Secretariat, the saluting battery at Ootacamund, the Madras Record Office, the Translators to Government, and the Inspector and Deputy Inspectors of Municipal Councils and Local Boards, including expenditure on elections to local bodies conducted by the Inspector and his subordinates, is debited to this minor head.

Reference to pages in the Detailed Annual Estimates of Expenditure.

405. *Public Service Commission.*—The expenditure on account of the Madras Public Service Commission including that relating to the examinations conducted by the Commission is debited to this minor head.

406. *Board of Revenue, Financial Commissioner and Establishments.*—To this minor head is debited all expenditure on the Board of Revenue except the portions debited to the major heads 8. Provincial Excise—Superintendence—Excise Commissioner and 13. Other Taxes and Duties—Commercial Taxes.

407. *Local Fund Audit Establishments.*—The charges on account of the Examiner of Local Fund Accounts and his establishments in Madras City and in the districts are debited to this minor head.

408. *Agent for Government Consignments.*—The contribution paid from Provincial revenues to the Minor Ports Fund towards the pay of the Agent for Government Consignments and the cost of staff employed for handling consignments of stores relating to all departments of the Government imported in or exported from the Port of Madras and the expenditure on contingencies are debited to this minor head.

409. *Miscellaneous—Deduct—Contributions recoverable from other Governments, Departments, etc.*—Payments made by the Central Government to the Provincial Government for the administration of agency subjects and for other work done on their behalf in the Secretariat are taken in reduction of expenditure by credit to this head.

410. *Charges in England.*—Under this minor head is debited the expenditure on the leave salaries and sterling overseas pay of the officers whose pay is debitable to the foregoing minor heads, stores purchased in England, law charges connected with Privy Council cases, if any, and the contribution payable by the Madras Government towards the cost of the High Commissioner for India and his establishment.

EXPLANATION OF VARIATIONS.

411. *Secretarial Staff of the Governor.*—The decrease in the revised estimate for 1940–1941 is due to the lapse of the provision made for the Governor's Secretary and for the cost of passages for the Private Secretary. The budget estimate for 1941–1942 includes no provision for the Governor's Secretary. 80

412. *Staff and household of the Governor.*—The decrease in the budget estimate for 1941–1942 is due to the expenditure from the inauguration grant being only Rs. ·30 lakh as against Rs. ·40 lakh in the current year. 80–84

413. *Ministers.*—Owing to the continuance of the situation under section 93 of the Government of India Act, the provision in the budget for 1940–1941 for Ministers and their personal clerks and peons and Parliamentary Secretaries has lapsed. The budget estimate for 1941–1942 makes no provision for them on the assumption that the present form of administration may continue. 86

414. *Advisers.*—The estimates include a full year's provision for Advisers and their personal clerks and peons. 87

415. *Civil Secretariats.*—The decrease in the revised estimate for 1940–1941 is due chiefly to (i) the abolition of the post of an Under Secretary and Provincial Press Adviser in the Chief Secretariat, (ii) the appointment of a junior officer as Deputy Secretary in the Finance Department, (iii) the inclusion of provision for the Special Engineer, Road Development and his staff under 50. Civil Works instead of under the Local Administration Department as a result of the transfer of control of the staff to the Chief Engineer from 1st October 1940, and (iv) the debit of the cost of materials for mending records in the Madras Record Office to 56. Stationery and Printing consequent on the Superintendent of Stationery being entrusted with the purchase of the materials. The decrease is partly offset by the appointment of a Deputy Secretary in the Development Department for a part of the year and of a Deputy Secretary in the place of an Under Secretary in the Education and Public Health Department. 88–101

416. *Public Service Commission.*—The estimates take into account the reduction in the pay of the Chairman and one member by the amount of their pension. The further decrease in the budget estimate for 1941–1942 is due to the absence of any provision for leave allowances of officers and to smaller expenditure under travelling allowance. 101–102

Reference to pages in the Detailed Annual Estimates of Expenditure.

102–103 417. *Board of Revenue, Financial Commissioner and establishments.*—Owing to the stoppage of settlement operations, it has been decided that the pay and allowances of the Members, Joint Secretary and the Settlement Branch of the Board of Revenue hitherto debited to 7. Land Revenue should, with effect from 1941–1942, be debited under this head. This change of classification accounts for the increase in the budget estimate for 1941–1942.

104–105 418. *Local Fund Audit Establishments.*—The increase in the budget estimate for 1941–1942 is due partly to provision having been made for the two new Assistant Examiners for the full year against only for nine months in the current year and partly to the accrual of increments to the staff.

106 419. *Miscellaneous—Deduct contributions recoverable from other Governments, Departments, etc.*—The decrease in the revised estimate for 1940–1941 is due to the reduction of staff employed in the Chief Secretariat for work connected with the war and the consequent decrease in the contribution recoverable from the Government of India.

78–79 420. *Charges in England.*—The decrease in the revised estimate for 1940–1941 is due to a reduction in the share of the cost of the High Commissioner's establishment debitable to this Province and to very few officers being on leave out of India on account of the war. The budget estimate for 1941–1942 provides for more normal conditions.

## Grant X—Legislative Bodies.

107–111

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941 | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 25. General Administration— | | | | |
| Legislative Bodies— | | | | |
| Provincial Legislative Assembly .. | 2·28 | 2·65 | 0·64 | 0·06 |
| Legislative Assembly Department .. | 1·01 | 1·06 | 0·88 | 0·92 |
| Provincial Legislative Council .. | 0·51 | 0·71 | 0·15 | 0·01 |
| Elections for Legislatures .. .. | 0·73 | 1·07 | 0·06 | 5·65 |
| *Deduct*—Contributions recoverable from other Governments, Departments, etc. | .. | .. | — 0·04 | — 0·33 |
| Charges in England .. .. | .. | .. | .. | .. |
| **Total ..** | **4·53** | **5·49** | **1·69** | **6·31** |

*Expenditure.*

421. *Provincial Legislative Assembly.*—The pay and allowances of the Speaker, Deputy Speaker and Members and the contingent expenditure of the Assembly including the purchase of books for the library, and expenditure by the House Committee are debited to this minor head.

422. *Legislative Assembly Department.*—The office establishment of the Provincial Legislature is a combined one for both Chambers at present. The expenditure on the combined establishment is debited to this minor head.

423. *Provincial Legislative Council.*—The pay and allowances of the President, Deputy President and Members, and the contingent expenditure of the Council and the House Committee are debited to this minor head.

424. *Elections for Legislatures.*—Expenditure on the elections for the Indian and Provincial Legislatures and on election courts appointed for the trial of election petitions is debited to this minor head.

425. *Deduct—Contributions recoverable from other Governments, Departments, etc.*—Payments made by the Central Government to the Provincial Government on account of elections for the Indian legislatures are taken in reduction of expenditure by credit to this head.

426. *Charges in England.*—Under this head is included the expenditure on the supply of publications to the Legislative Assembly and Council arranged by the High Commissioner for India. Leave and deputation pay of officers, if any, are also included under this head.

Reference to pages in the Detailed Annual Estimates of Expenditure.

EXPLANATION OF VARIATIONS.

427. *Provincial Legislative Assembly and Provincial Legislative Council.*—The decrease in the revised estimate for 1940–1941 is due to the stoppage of pay of the members of the Legislature, including the Speaker, Deputy Speaker, President and Deputy President, with effect from 1st July 1940 and to the fact that there are no meetings of the Legislature. The budget estimate for 1941–1942 is framed on the assumption that the present form of administration will continue during the next year ; and provision has been made only for certain inevitable items of contingent expenditure. 108–110

428. *Legislative Assembly Department.*—The decrease in the revised estimate for 1940–1941 is chiefly due to the lapse of the provision made for the employment of temporary staff during sessions of the Legislature and to the post of Deputy Secretary being kept unfilled for a part of the year. 109–110

429. *Elections for Legislatures.*—The provision made in the budget for 1940–1941 for the revision of electoral rolls and for general elections to the Indian Legislative Assembly was not utilized. The budget estimate for 1941–1942 provides for the revision of the electoral rolls and for the conduct of general elections to the Central and Provincial Legislatures. 111

430. *Deduct—Contributions recoverable from other Governments, Departments, etc.*—The increase in the budget estimate for 1941–1942 is due to the anticipated recovery from the Central Government of the cost of elections to the Central Legislatures. 111

## Grant XI—District Administration and Miscellaneous. 112–132

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 25. General Administration— | | | | |
| District Administration— | | | | |
| General establishments .. .. .. | 27·02 | 26·92 | 27·42 | 26·93 |
| Subdivisional establishments .. .. | 21·21 | 20·72 | 21·55 | 21·58 |
| Other establishments .. .. .. | 178·10 | 180·09 | 178·63 | 178·29 |
| Miscellaneous— | | | | |
| Discretionary grants by Collectors .. .. | ·18 | ·24 | ·33 | ·36 |
| Miscellaneous .. .. .. .. | ·84 | ·61 | 1·07 | 1·12 |
| Expenditure from rural reconstruction grants. | 3·31 | 5·66 | 4·00 | 5·00 |
| *Deduct*—Contributions recoverable from other Governments, Departments, etc. | — ·11 | — ·12 | — ·12 | — ·27 |
| Charges in England .. .. .. .. | 3·23 | 3·67 | 1·53 | 3·22 |
| Loss or gain by exchange .. .. .. | ·02 | .. | .. | .. |
| Total .. | 233·80 | 237·79 | 234·41 | 236·23 |

*Expenditure.*

431. The general principle adopted in determining what charges should be debited to District Administration is that any amount definitely spent on work connected only with a single major head should be debited to that major head, whilst amounts spent on work connected with more than one major head should be debited to the present head 5. General Administration—District Administration.

Reference to pages in the Detailed Annual Estimates of Expenditure.



432. *General establishments.*—The expenditure debited to this minor head is that on the Collectors of districts and their establishments including law charges in connexion with suits to which the Government are a party, the establishments connected with district treasuries and sub-treasuries, the Court of Wards establishments in Collectorates, the establishments in the Laccadives and Amindivi Islands, the purchase of rice for supply to the islanders in return for the coir taken over from them and the biennial inspection of the islands.

433. *Subdivisional establishments.*—This head shows the charges on account of Additional District Magistrates and Personal Assistants to Collectors, Sub-Collectors, Assistant Collectors and Deputy Collectors and their establishments, and the staff and contingent expenditure of the Debt Conciliation Boards in the districts. The expenditure on account of the Special Development Officers employed to assist the Collector in ameliorative work connected with Prohibition is also debited to this head.

434. *Other establishments.*—The expenditure relating to taluk establishments, namely, Tahsildars and Deputy Tahsildars and Sub-Magistrates and their establishments, village establishments in ryotwari and proprietary villages, the construction of village chavadis and other works, cattle-pounds (other than in Madras City) including the commission paid to pound-keepers, revenue process-servers and amins, and establishments for stamping weights and measures is shown under this head.

435. *Discretionary grants by Collectors.*—These grants are given, at their discretion, by Collectors for general purposes of a public nature calculated to be of benefit to their districts, e.g., the construction and improvement of public baths and bathing places, culverts and bridges on village cart-tracks, wells or other sources of drinking water for the poorer classes, the provision and maintenance of playgrounds for village elementary schools, burial and burning grounds, contributions for the relief of poor people on the outbreak of plague and other sudden calamities and rewards to private individuals for specially meritorious conduct.

436. *Miscellaneous.*—The expenditure on the establishment, maintenance and operation of broadcasting stations and on programmes is met by the Central Government. The cost of installation of public receiving sets, the charges on account of the Radio Engineer and his establishment and the cost of rural and municipal receiving sets purchased on behalf of local bodies and the maintenance charges of the sets are debited to this head. The recoveries effected from the local bodies towards the cost and maintenance of the sets are credited as receipts under 'XLVI—Miscellaneous'—see paragraph 277. The allowances granted during the period of training in India to Indian Civil Service candidates allotted to this Province and the travelling allowances of Members of the Legislatures attending periodical district conferences convened by Collectors are also debited to this minor head.

437. *Expenditure from rural reconstruction grants.*—This relates to the expenditure from the Central Government's grant for economic development and improvement of rural areas and this is explained in paragraph 791.

438. *Deduct—Contributions recoverable from other Governments, departments, etc.*—Payments made by the Central Government to the Provincial Government for work done on their behalf in the offices of District Magistrates are taken in reduction of expenditure by credit to this head.

439. *Charges in England.*—Leave salaries of officers who spend their leave in England and sterling overseas pay of officers serving in India are exhibited under this head.

440. *Loss or gain by exchange.*—This head is explained in paragraph 689.

## Explanation of Variations.

117–121 441. *General establishments.*—The increase in the revised estimate for 1940–1941 is due chiefly to very few officers being on leave out of India on account of the war and to larger expenditure on service postage and telegrams owing to the enhancement of postal rates. The budget estimate for 1941–1942 provides for normal requirements.

Reference to pages in the Detailed Annual Estimate of Expenditure.

442. *Subdivisional establishments.*—The increase in the revised estimate for 1940–1941 is due to— 121–123

(i) more divisions being held by Indian Civil Service officers owing to very few officers being on leave,

(ii) larger expenditure under diet and road money to prosecutors and witnesses in Subdivisional Magistrates' courts and under travelling allowance of members of the Debt Conciliation Boards, and

(iii) increased expenditure on service postage and telegrams owing to the enhancement of postal rates.

443. *Other establishments.*—The decrease in the revised estimate for 1940–1941 is due to savings under establishment charges owing to the operation of the revised scales of pay. The further decrease in the budget estimate for 1941–1942 is due to the proposed abolition of the posts of Inspecting Tahsildars and Deputy Tahsildars for land records work on account of the transfer of maintenance work to the Survey Department. 124–131

444. *Discretionary grants by Collectors.*—The increase in the revised estimate for 1940–1941 and in the budget estimate for 1941–1942 is due to the recent orders raising the discretionary grant at the disposal of each Collector from Rs. 1,000 to Rs. 1,500. 115

445. *Miscellaneous.*—The revised estimate for 1940–1941 and the budget estimate for 1941–1942 provide for the purchase and installation of rural and municipal receiving sets and for the grant of allowances to Indian Civil Service candidates during the period of their training in India. 131

446. *Expenditure from rural reconstruction grants.*—The decrease in the revised estimate for 1940–1941 is due to the slow progress of expenditure on schemes financed from the grant for rural reconstruction. The budget estimate for 1941–1942 allows for more expenditure. 132

447. *Deduct—Contributions recoverable from other Governments, departments, etc.*—The budget estimate for 1941–1942 takes credit for recoveries from the Government of India for work done by the revenue establishments in the districts in connexion with the general elections to the Central Legislature. 132

448. *Charges in England.*—The decrease in the revised estimate for 1940–1941 is due to very few officers being on leave in England on account of war conditions. The budget estimate for 1941–1942 provides for more normal conditions and for a larger number of officers going on leave out of India. 116

## Pro forma distribution of charges relating to General Administration.

449. As already explained in paragraph 431, the general principle of classification prescribed in regard to charges connected with district administration is that any part of the charges which is definitely expended upon work connected with a single major head is debited to that major head, and the rest of the charges spent upon work connected with more than one major head is debited to the head General Administration—District Administration.

450. In this Province, Collectors and Subdivisional officers are also magistrates. All Tahsildars are *ex-officio* magistrates, but their main duties are usually confined to land revenue and general administration. The work of most Deputy Tahsildars is about equally divided between land revenue administration and magisterial functions. Village talaiyaris perform police duties within their village limits and a part of their cost is thus attributable to police functions. It is therefore clear that unless the expenditure shown under the major head 25. General Administration is distributed among the other major heads with reference to the time devoted to work connected with the different major heads by the several classes of officers and establishments, the total figures under the major heads Land Revenue, General Administration, Administration of Justice and Police are likely to produce very misleading impressions, e.g., as to the cost of collecting the land revenue.

Reference to pages in the Detailed Annual Estimate of Expenditure.



451. In order to assess approximately the cost of land revenue collection, general administration, administration of justice and police, the following percentages have been adopted for apportioning certain charges booked under the head General Administration among the various major heads concerned :—

| Particulars of charges to be distributed. | Major heads of expenditure. Land Revenue. | General Administration. | Administration of Justice. | Police. |
|---|---|---|---|---|
| | PER CENT. | PER CENT. | PER CENT. | PER CENT. |
| 1. Board of Revenue and establishments. | 50 | 50 | .. | .. |
| 2. Collectors and Magistrates .. | 30 | 45 | 25 | .. |
| 3. Sub-Collectors, Assistant Collectors and Deputy Collectors. | 30 | 30 | 40 | .. |
| 4. Taluk establishments .. .. | 70 | 20 | 10 | .. |
| 5. Ryotwari Village Service—Karnams. | 95 | 5 | .. | .. |
| 6. Ryotwari Village Service—Talaiyaris. | 25 | 25 | .. | 50 |
| 7. Ryotwari Village Service—Other establishments. | 30 | 45 | 25 | .. |
| 8. Proprietary Estates Village Service—Karnams. | 95 | 5 | .. | .. |
| 9. Proprietary Estates Village Service—Talaiyaris. | 15 | 25 | .. | 60 |
| 10. Proprietary Estates Village Service—Other establishments. | 10 | 80 | 10 | .. |
| 11. Charges on account of revenue processes— | | | | |
| (a) Act II of 1864 .. .. | 100 | .. | .. | .. |
| (b) Act I of 1908 .. .. | .. | .. | 100 | .. |
| (c) Other Acts .. .. | .. | .. | 100 | .. |

*Note.*—The charges which continue to be shown in full against the head General Administration without any allocation to any other head have been omitted in the above statement.

By applying the above percentages to past actuals, the lump sums to be transferred are found to be as shown below :—

| | LAKHS. |
|---|---|
| Transfer to the head— | |
| 7. Land Revenue .. .. .. .. .. .. .. | 105 |
| 27. Administration of Justice .. .. .. .. .. .. | 33 |
| 29. Police .. .. .. .. .. .. .. | 13 |
| Total transfer from the head 25. General Administration .. | 151 |

After making these transfers the approximate expenditure under each of these major heads will compare with the budget estimates for 1941–1942 as shown below :—

| | Budget Estimate, 1941–1942. | Approximate cost after taking into account transfers referred to above. |
|---|---|---|
| | LAKHS. | LAKHS. |
| 7. Land Revenue .. .. .. .. .. | 21·87 | 126·87 |
| 25. General Administration .. .. .. .. | 278·81 | 127·81 |
| 27. Administration of Justice .. .. .. | 90·88 | 123·88 |
| 29. Police .. .. .. .. .. .. | 170·72 | 183·72 |

Reference to pages in the Detailed Annual Estimate of Expenditure. 133–150

## Grant XII—Administration of Justice.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 27. Administration of Justice— | | | | |
| High Court .. .. .. | 13·15 | 13·44 | 13·31 | 14·09 |
| Law officers .. .. .. | 4·12 | 3·88 | 4·10 | 4·07 |
| Administrator-General .. .. | ·34 | ·35 | ·36 | ·41 |
| Presidency magistrates' courts | 1·32 | 1·31 | 1·25 | 1·33 |
| Civil and sessions courts .. .. | 57·16 | 58·52 | 56·16 | 56·90 |
| Courts of small causes .. .. | 1·26 | 1·34 | 1·27 | 1·25 |
| Criminal courts .. .. .. | 10·54 | 11·51 | 11·54 | 11·40 |
| Charges in England .. .. | ·55 | 1·48 | ·28 | 1·43 |
| **Total ..** | **88·44** | **91·83** | **88·27** | **90·88** |

*Expenditure.*

452. *High Court.*—The administrative expenses of the High Court, including the salaries and allowances of the Judges, the officers and the servants of the court and the charges connected with its Translation and Printing department, the Sheriff's office and the publication of the Madras Law Reports, are debited to this head.

453. *Law officers.*—The expenditure on retaining fees allowed to the Advocate-General, the Crown Prosecutor, the Government Pleader and the Public Prosecutor in Madras and on the Government ministerial establishments sanctioned for them, the retaining fees of the Government Solicitor, Madras, and the Government Pleaders and Public Prosecutors in the mufassal and the case fees, travelling allowances and contingent expenditure allowed to them and to others specially employed to conduct cases on behalf of the Government and fees to pleaders in pauper suits is debited to this minor head.

454. *Administrator-General.*—This minor head records the charges relating to the Administrator-General and Official Trustee and Official Receiver of the High Court and his staff.

455. *Presidency magistrates' courts.*—The charges relating to the stipendiary and honorary presidency magistrates and their establishments and contingent expenditure and the amounts paid to the Madras Corporation, the Madras Port Trust, and the Society for the Prevention of Cruelty to Animals in respect of the magisterial fines credited to the Government in connexion with offences under certain enactments are debited to this minor head.

456. *Civil and sessions courts.*—All the expenses (other than those relating to courts of small causes) of the City Civil Court and the mufassal civil and sessions courts, including the expenditure on copyists and process service establishments in such courts, are debited to this minor head.

457. *Courts of small causes.*—The expenditure relating to the Court of Small Causes at Madras is debited to this minor head.

458. *Criminal courts.*—The charges relating to whole-time magisterial officers, such as the First-class City Magistrate in Madura and stationary sub-magistrates and bench courts in the mufassal, and the amounts paid to local bodies, forest panchayats and others in respect of the magisterial fines credited to the Government in connexion with offences under certain enactments, are debited to this minor head. No portion of the expenditure relating to the subdivisional officers and others doing both revenue and magisterial work is debited to this minor head. See paragraphs 449–451.

459. *Charges in England.*—The law charges incurred in England on behalf of the Government of Madras, the leave salaries and sterling overseas pay of officers of the Judicial department and the cost of books and periodicals purchased in England are shown under this head.

460. *Loss or gain by exchange.*—This is explained in paragraph 689.

Reference to pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

137-140 461. *High Court.*—The decrease in the revised estimate for 1940–1941 occurs mainly under pay of establishments and is chiefly due to the operation of the new scales of pay. The budget estimate for 1941–1942 assumes, as usual, that all the Judges will draw their vacation pay in India and includes provision for two temporary additional Judges and for the leave salary of the permanent Registrar.

140–141 462. *Law officers.*—The increase in the estimates occurs chiefly under fees to Government pleaders owing to a number of special cases involving the payment of large fees. The increase is partly offset by smaller provision for fees for non-Government pleaders.

143–147 463. *Civil and sessions courts.*—The decrease in the revised estimate for 1940–1941 is due mainly to fewer officers being on leave in England with consequent savings in the provision for the pay of substitutes, the operation of new scales of pay, reduction in the process service establishments and the delay in giving effect to the scheme of provincialization of the posts of official receivers in the mufassal.

The budget estimate for 1941–1942 includes provision for the provincialization of the posts of official receivers in the mufassal and for a temporary sub-court at Tellicherry and for the appointment of an additional sub-judge at Tinnevelly and an additional district munsif at Rajahmundry.

149–150 464. *Criminal courts.*—The decrease in the budget estimate for 1941–1942 occurs mainly in the provision for payment of compensation to local bodies and others in lieu of magisterial fines.

136 465. *Charges in England.*—The revised estimate for 1940–1941 does not provide for any expenditure in England on account of leave salaries of officers. The budget estimate for 1941–1942 provides for leave salaries of officers in the expectation that conditions next year will be more normal.

## Grant XIII—Jails.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 28. Jails and Convict Settlements— | | | | |
| Jails .. .. .. .. | 21·22 | 20·66 | 22·85 | 23·78 |
| Jail manufactures .. .. .. | 3·24 | 3·04 | 4·41 | 4·31 |
| Charges in England .. .. .. | ·30 | ·20 | ·25 | ·22 |
| Total .. | 24·76 | 23·90 | 27·51 | 28·31 |

*Expenditure.*

466. *Jails.*—The expenditure debited to this minor head is that relating to the Inspector-General of Prisons, the Madras Penitentiary (other than the Government branch press the cost of which is debited to 56. Stationery and Printing), Central and District Jails, special jails (the Sanatorium Jail at Bellary, the Women's Jail at Vellore and the Borstal schools at Tanjore and Palamcottah), sub-jails, the certified schools at Chingleput, Ranipet and Bellary, grants to private certified schools and other institutions (the Madras Society for the Protection of Children, the Madras Children's Aid Society, the Anjuman Industrial School, the Discharged Prisoners' Aid Society, the Madras Seva Sadan and the Salvation Army), and charges for the police custody of under-trial prisoners and their production before courts.

467. *Jail manufactures.*—The expenditure on the purchase of raw materials, and on manufacturing and other charges including charges for the packing and distribution of quinine in the Penitentiary is debited to this minor head. The value of the articles manufactured in one jail and supplied to the maintenance department of the same jail or to the maintenance and manufactory departments of other jails in the Province is taken in reduction of expenditure under this head. The net expenditure under the minor head is fully covered by the receipts, which are credited to the head XXII. b. Jails and Convict Settlements—Jail manufactures—Other manufactures.

468. *Charges in England.*—This head exhibits the expenditure incurred in England on the leave salary and sterling overseas pay of the officers of the Madras Jail department, stores for the Jail department and the maintenance charges of a convict deported to England.

EXPLANATION OF VARIATIONS.

469. *Jails.*—The increase in the revised estimate for 1940–1941 is due to the additional temporary staff sanctioned for guarding prisoners detained or convicted under the Defence of India Act or rules and to the increased charges under diet and clothing and bedding owing to the influx of persons detained under the Defence of India Rules and those convicted under those rules. 151–164

The further increase in the budget estimate for 1941–1942 is due to provision made for one full year.

470. *Jail manufactures.*—The increase in the revised estimate for 1940–1941 is due to the purchase of larger quantities of cotton and other raw materials for jail manufacture and also to the rise in the cost of raw materials. 153 and 164

## Grant XIV—Police.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 29. Police— | | | | | |
| Presidency police .. .. .. .. .. .. | 14·69 | 14·59 | 14·91 | 15·34 | 165–193 |
| Superintendence .. .. .. .. .. .. | 2·96 | 2·94 | 2·90 | 2·87 | |
| District executive force .. .. .. .. .. | 126·43 | 126·80 | 131·13 | 130·03 | |
| Police training schools .. .. .. .. .. | 1·86 | 1·60 | 1·77 | 1·75 | |
| Village police .. .. .. .. .. .. | ·08 | ·08 | ·08 | ·08 | |
| Criminal investigation department .. .. | 2·99 | 2·92 | 2·78 | 3·03 | |
| Railway police .. .. .. .. .. .. | 7·63 | 7·66 | 8·00 | 7·69 | |
| Special police .. .. .. .. .. .. | 4·17 | 3·76 | 5·93 | 7·79 | |
| Miscellaneous .. .. .. .. .. .. | ·01 | ·01 | ·01 | ·01 | |
| Charges in England .. .. .. .. .. .. | 2·42 | 2·46 | 2·01 | 2·13 | |
| Loss or gain by exchange .. .. .. .. .. | ·01 | .. | .. | .. | |
| Total .. | 163·25 | 162·82 | 169·52 | 170·72 | |

*Expenditure.*

471. The expenditure debited to the major head 29. Police does not fully represent the real expenditure on policing the Province, as the village policing is mostly done by talaiyaris in ryotwari and proprietary estates villages for whom provision is made under 25. General Administration—District Administration. An approximate estimate of the cost of talaiyaris which may reasonably be regarded as pertaining to their police duties is given in paragraph 451 above.

The expenditure on the Madras City Police (Presidency Police) is booked separately from that relating to the mufassal police, just as the receipts under the head XXIII. Police are booked separately.

472. *Presidency police.*—The expenditure under this head relates to the Commissioner, Deputy and Assistant Commissioners of Police and their establishments, the City Executive Force including those employed on harbour and quarantine duties, the Police surgeon and hospital charges, the cattle-pound expenditure and the expenditure on the clothing of the civic guards in the City of Madras. The contributions from the Central Government covering half the cost of the quarantine police and for the work done by the Commissioner of Police in connexion with the issue of passports are taken as reduction of expenditure under this head, while the Madras Port Trust's contributions of the other half of the cost of the quarantine police and two-thirds of the cost of the harbour police are credited as receipts under the head XXIII. Police.

Reference to pages in the Detailed Annual Estimate of Expenditure.



473. *Superintendence.*—The expenditure relating to the Inspector-General and the territorial Deputy Inspectors-General and their establishments is accounted for under this head.

474. *District executive force.*—To this minor head is debited the expenditure on the pay and allowances together with charges relating to contingencies, clothing and arms and equipment of the mufassal police and the clothing of the civic guards in the mufassal, the departmental construction and maintenance of police quarters, temporary police establishments to guard houses evacuated during plague, the Cordite Factory guard and the Vizagapatam harbour and quarantine police. The cost of the Cordite Factory guard and the Vizagapatam harbour quarantine police, as also of police escorts for postal remittances, is recovered from the Central Government and adjusted in reduction of expenditure under this minor head, while two-thirds of the cost of the Vizagapatam harbour police is recovered from the Vizagapatam harbour funds and credited as receipts under the head XXIII. Police—see paragraph 163.

475. The Central Government have agreed to bear one-third of the cost of clothing of the civic guards both in the City and in the mufassal and the recovery is taken in reduction of expenditure under Presidency police and the District executive force, respectively.

476. *Police training schools.*—The expenditure debited to this head is that incurred on the Provincial Police Training School, Vellore, and on recruits' schools for constables.

477. *Village police.*—The expenditure under this head represents the pay of those talaiyaris who work directly under the police and are employed in localities near the hills.

478. *Criminal investigation department.*—The expenditure on the criminal investigation department, which is under a separate Deputy Inspector-General of Police, is debited to this minor head.

479. *Railway police.*—The expenditure on the two railway police districts with headquarters in Madras City and Trichinopoly respectively is debited to this minor head. About half the expenditure is recovered from the railways concerned through their contributions for the 'order' police, which are credited as receipts under the head XXIII. Police—Contribution for railway police—see paragraph 156.

480. *Special police.*—This minor head is intended to show the cost of police forces which are constituted for special purposes and organized on a system different from the regular district executive force like the Malabar Special Police.

481. *Miscellaneous.*—The contribution to the band expenses of the Police Training School, Vellore, is debited to this minor head.

482. *Charges in England.*—The expenditure debited to this head is that incurred in England on leave salaries and sterling overseas pay of Police officers, expenses on recruitment in England and on stores.

483. *Loss or gain by exchange.*—This is explained in paragraph 689.

## Explanation of variations.

171–193 484. The general increase in the revised and the budget estimates under the various heads is chiefly due to temporary staff sanctioned from time to time owing to conditions created by the war and for internal security. The revised estimate under Presidency police and District executive force includes also the clothing charges of the civic guards in the city and mufassal, respectively. The variation between the budget and the revised estimate for 1940–1941 under Railway police is due to a special provision of Rs. ·31 lakh for payment to the South Indian Railway Company on account of arrears of rent.

170 485. *Charges in England.*—The estimates are based on the leave programme of officers and the fact that no officer is likely to be recruited in England during 1940–1941 and 1941–1942.

Reference to pages in the Detailed Annual Estimate of Expenditure. 194–237

## Grant XV—Education.

486. The expenditure booked under the heads mentioned below is included in this Grant :—

36. Scientific Departments—Museums and charges in England relating to them.

37. Education including charges in England.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942 |
|---|---|---|---|---|
| 36. SCIENTIFIC DEPARTMENTS— | | | | |
| Museums, etc. .. .. .. .. | ·96 | ·96 | ·97 | ·91 |
| 37. EDUCATION— | | | | |
| University .. .. .. .. | 28·27 | 28·61 | 28·10 | 29·43 |
| Secondary .. .. .. .. | 30·19 | 31·51 | 31·66 | 31·54 |
| Primary .. .. .. .. | 160·29 | 168·15 | 177·86 | 180·83 |
| Special .. .. .. .. .. | 22·04 | 22·44 | 22·16 | 22·24 |
| General .. .. .. .. | 22·42 | 22·14 | 22·32 | 22·10 |
| Charges in England .. .. .. | ·36 | ·25 | ·43 | ·48 |
| **Total ..** | **263·57** | **273·10** | **282·53** | **286·62** |
| **Grand Total ..** | **264·53** | **274·06** | **283·50** | **287·53** |

487. The following is a summary of the Grant by minor heads :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 36. SCIENTIFIC DEPARTMENTS— | | | | |
| Museums .. .. .. .. .. | ·92 | ·93 | ·94 | ·90 |
| Grants in aid and donations to Scientific Societies and Institutes .. .. .. | .. | .. | .. | ·01 |
| Charges in England .. .. .. | ·04 | ·03 | ·03 | .. |
| **Total ..** | **·96** | **·96** | **·97** | **·91** |
| 37. EDUCATION— | | | | |
| *University—* | | | | |
| Grants to universities .. .. .. | 6·15 | 6·66 | 6·65 | 7·75 |
| Government arts colleges .. .. | 11·29 | 11·77 | 11·65 | 11·71 |
| Grants to non-Government arts colleges .. | 4·48 | 3·74 | 3·43 | 2·87 |
| Government professional colleges .. .. | 6·26 | 6·35 | 6·26 | 7·00 |
| Grants to non-Government professional colleges. | ·09 | ·09 | ·11 | ·10 |
| *Secondary—* | | | | |
| Government secondary schools .. .. | 2·50 | 2·57 | 2·57 | 2·63 |
| Direct grants to non-Government secondary schools. | 19·13 | 20·01 | 20·18 | 19·77 |
| Grants to local bodies for secondary education. | 8·56 | 8·93 | 8·91 | 9·14 |
| *Primary—* | | | | |
| Government primary schools .. .. | ·37 | ·37 | ·36 | ·42 |
| Direct grants to non-Government primary schools. | 65·00 | 72·01 | 83·27 | 85·22 |
| Grants to local bodies for primary education. | 94·92 | 95·77 | 94·23 | 95·19 |
| *Special—* | | | | |
| Government special schools .. .. | 17·63 | 17·86 | 17·61 | 17·68 |
| Direct grants to non-Government special schools. | 4·41 | 4·58 | 4·55 | 4·56 |
| *General—* | | | | |
| Direction .. .. .. .. .. | 1·71 | 1·68 | 1·76 | 1·69 |
| Inspection .. .. .. .. .. | 18·23 | 18·01 | 18·04 | 17·92 |
| Scholarships .. .. .. .. | 1·99 | 1·97 | 2·00 | 1·92 |
| Miscellaneous .. .. .. .. | ·49 | ·48 | ·52 | ·57 |
| *Charges in England* .. .. .. .. | ·36 | ·25 | ·43 | ·48 |
| **Total ..** | **263·57** | **273·10** | **282·53** | **286·62** |
| **Grand Total ..** | **264·53** | **274·06** | **283·50** | **287·53** |

*Expenditure.*

## 36. Scientific Departments.

488. *Museums.*—The expenditure relating to the Government Museum in Egmore and the Connemara Public Library which are located in the same buildings and are under the control of the Superintendent of the Museum and the Librarian, Connemara Public Library respectively is debited to this minor head.

489. *Grants-in-aid and donations to Scientific Societies and institutes.*—The grant made to the Bhandarkar Oriental Research Institute, Poona, towards the cost of the publication of a critical edition of the Mahabharata is shown under this head.

490. *Charges in England.*—The charges debited to this head are the leave salary of officers of the Museum drawn in England, the sterling overseas pay of the Superintendent, the honoraria, if any, paid in England to the authors of scientific publications, such as the *Flora and Fauna of Madras*, undertaken at the instance of and published by the Government and the cost of publications obtained from England for the Connemara Public Library.

## 37. Education.

491. The expenditure debited to this major head relates to transactions under the control of the Education Department and connected with general education. Expenditure on special education, e.g., in forestry, medicine, agriculture, veterinary science, co-operation and industrial technique or for special sections of the community, such as the fisher communities, communities eligible for help by the Labour department and the like, is debited to the respective subject heads according to the department which incurs the expenditure.

The major head 37. Education is subdivided into several sub-major heads, namely, University, Secondary, Primary, Special, General and Charges in England.

### University.

This covers expenditure connected with courses of studies prescribed by the Universities of this Province for their degree examinations. The following are the minor heads :—

492. *Grants to universities.*—The recurring grants-in-aid of the general resources of the universities, namely, Rs. 3,15,500 for Madras and 1·50 lakhs each for the Andhra and Annamalai Universities and grants for specific purposes, e.g., opening of a Natural Science block in the Andhra University are debited to this minor head.

493. *Government arts colleges.*—Expenditure relating to Government arts and science colleges, including those which have intermediate and secondary departments attached to them, is debited to this minor head.

494. *Grants to non-Government arts colleges.*—The several classes of grants given are—Teaching grants which are grants towards regular maintenance, grants for buildings, playgrounds and equipment, and contributions to the provident funds of teachers in non-Government institutions. The grants mentioned do not ordinarily exceed half the total net expenditure on an institution.

In respect of provident funds, the Government contribution is paid when a teacher retires or for other accepted reasons withdraws his deposits and is equal to one-third of the amount standing to his credit in his account, i.e., his contributions and the management's contributions equal to half his contributions and the accumulated interest thereon.

495. *Government professional colleges.*—The expenditure relating to the Law College, the Engineering College (including its subordinate engineering branch) and the Teachers' Training Colleges (including the model schools attached to them) is debited to this minor head.

496. *Grants to non-Government professional colleges.*—The non-Government professional colleges which receive grants at present are the St. Christopher's Training College for Women and the Meston Training College for Men at Madras.

Reference to pages in the Detailed Annual Estimate of Expenditure.

SECONDARY.

497. This covers expenditure on secondary education including courses of studies prescribed by (1) the universities of this Province for their intermediate examinations in second grade arts colleges and (2) the Government for the secondary school-leaving certificate and other examinations preliminary to the instruction required for the University Intermediate examinations.

The following are the minor heads :—

498. *Government secondary schools.*—The expenditure on the Government specialists in physical education for boys and girls, on non-European Government secondary schools (mostly for Muhammadans and girls) and on the Government manual training and wood-work and domestic science and needle-work classes for European schools is debited to this minor head.

499. *Direct grants to non-Government secondary schools.*—Grants in respect of non-Government secondary schools other than those under the control of local bodies are debited to this minor head. These grants are regulated by the Code of Regulations for European Schools and the Madras Grant-in-aid Code for Indian schools, and are generally for maintenance including rents for school and hostel buildings and compensation for the fee or other concessions to poor pupils and children of ex-Army men prescribed in the Code, buildings, playgrounds, equipment and provident funds. With effect from 1941–1942 the expenditure on compensation for fee concessions to pupils of communities eligible for help by the Labour Department which is debited to this head will be transferred to 47. Miscellaneous Departments—Labour by deduction under this head and debit to the latter. European schools are eligible also for certain special grants, e.g., boarding and cadet grants.

500. *Grants to local bodies for secondary education.*—Maintenance grants given to local bodies for secondary education are treated as lump-sum payments, the amount in each case generally representing the subsidy granted to the local body in the year 1929–1930 with the addition of 5 per cent to it. Local bodies are also eligible for half grants for buildings, playgrounds and equipment in respect of their secondary schools.

PRIMARY.

501. This covers expenditure on education of the elementary type. European schools imparting such instruction are classed as Primary and Indian schools as Elementary.

The minor heads are—

502. *Government primary schools.*—Schools imparting elementary education are maintained by the Government only in the Laccadives and Amindivi Islands and in the partially excluded areas of Vizagapatam and East Godavari.

503. *Direct grants to non-Government primary schools.*—Grants for European primary schools, and for Indian orphanages and maintenance (i.e., teaching) building, equipment and fee concession grants to all elementary schools other than those maintained by local bodies and panchayats are debited to this minor head.

504. *Grants to local bodies for primary education.*—The local authorities to whom grants are given are—

(1) Municipalities and district boards ; and
(2) Panchayats.

Municipalities and district boards are eligible for—

(*a*) Fixed grants in respect of elementary schools under local bodies opened prior to the date of coming into force of the Elementary Education Act, 1920, the Government schools transferred to their control on the coming into force of the Act, and of schools subsequently opened at the cost of the Government ;

(*b*) grants equivalent to the proceeds of the education tax collected by them ; and

(*c*) grants for manual training classes, fee concessions to children of ex-Army men and buildings.

The Kumbakonam Municipal Council is also given a grant towards the net cost of its Arts class and the North Arcot District Board is also given a grant for the maintenance of its Muhammadan yeomiah and orphan school at Arcot.

Panchayats are given maintenance (i.e., teaching) and building grants.

Reference to pages in the Detailed Annual Estimate of Expenditure.



SPECIAL.

505. Expenditure on schools imparting instruction other than that falling into the foregoing categories is included in this sub-major head.

The minor heads are—

506. *Government special schools.*—These schools are intended to impart instruction to pupil teachers of the secondary, higher elementary and lower elementary grades for the training-school leaving certificate examination, the passing of which is ordinarily insisted upon before they are employed as teachers.

507. *Direct grants to non-Government special schools.*—Not only teachers' training schools but all special schools which are aided by the Government fall into this category. Examples are :—Commercial schools, the Cordite Factory school, the Buckingham and Carnatic Mills schools, Mandapam Quarantine Camp school, the Government House schools at Madras and Ootacamund, Sanskrit and Arabic schools, adult education classes, community schools and schools for lepers, the deaf and dumb and the blind. In addition to the ordinary teaching, provident fund, building and equipment grants, teachers' training schools are eligible also for grants to pay stipends to pupil teachers under training for elementary grades.

GENERAL.

The minor heads are—

508. *Di ection.*—Expenditure relating to the Director of Public Instruction and his deputies and subordinate staff, on books purchased by him for free distribution to schools and other institutions and on customs duty on stores for all institutions purchased in England is debited to this minor head.

509. *Inspection.*—Expenditure on the Government staff for inspection of all secondary, elementary and special schools, including the Inspector of European Schools and the Superintendent of Sanskrit Schools, is debited to this minor head.

510. *Scholarships.*—An allotment is made annually for the grant of scholarships for poor students in Government as well as non-Government, aided (European and non-European) local board and special schools. The maximum number of scholarships that may be granted for each grade of instruction, namely, collegiate, secondary and elementary, is fixed by the Government and scholarships may be sanctioned by the Director up to the maximum. Provision is also made for scholarships tenable at the Indian Military School, Dehra Dun.

511. *Miscellaneous.*—Expenditure on the following items is debited to this head :—

(1) The European scholarship examination, the expenditure on which is covered by the fees levied ;

(2) The contribution towards the running expenses of the Inter-Provincial Board for European Education ;

(3) Oriental Manuscripts Library ;

(4) Text-book Committee and registration of books ;

(5) Grants to local bodies and panchayats for libraries and to the Boy Scout and Girl Guide movements ;

(6) Fixed grants to the Schwartz schools in the Tanjore, Trichinopoly and Ramnad districts and to the Indian Students' Union and Hostel in London, special (yeomiah) scholarships to Muhammadan boys in the Nellore district, grants to the Madras Olympic Association and grants to cover the Secondary School-Leaving Certificate fees of children of ex-Army men ;

(7) Contributions towards educational exhibitions ; and

(8) Maintenance charges of Jayarangam bungalow—a trust property, the income from which is credited to XXVI. Education—Income from Endowments.

512. *Charges in England.*—The expenditure on leave salaries and sterling overseas pay and stores for educational institutions is debited to this head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

513. *Grants to universities.*—The budget estimate for 1941–1942 includes provision for the payment of a grant of Rs. 1·50 lakhs (as against ·50 lakh provided for in 1940–1941) to the Andhra University towards the cost of constructing a Natural Science block and also Rs. ·09 lakh for the opening of a Geological section. 196 and 210

514. *Government Arts Colleges.*—The decrease in the revised estimate for 1940–1941 is due to the Principal of the Government Presidency College being on other duty as Director of Public Instruction for a portion of the year. The budget estimate for 1941–1942 provides for the opening of training classes for Muslims in the Government Muhammadan College, Madras, and for the employment of additional staff for the Science and History departments of the Ceded Districts College, Anantapur. 196 and 210–213

515. *Grants to non-Government Arts Colleges.*—The decrease in the revised estimate for 1940–1941 is due to short drawal of teaching and building grants partly offset by larger payment of Gerneral Provident Fund due to retirement of one Principal and two lecturers. The budget estimate for 1941–1942 allows a smaller provision than in the current year for building grants. 197 and 214

516. *Government professional colleges.*—The budget estimate for 1941–1942 provides for the purchase of a new oil engine for the power house and the installation of machines in the Engineering College workshops for testing of stones as road metal. 197–198 and 214–219

517. *Direct grants to non-Government secondary schools.*—The budget estimate for 1940–1941 took credit for the transfer of the expenditure on account of fee concessions to pupils of communities eligible for help by the Labour department to 47. Miscellaneous Departments—Labour. The transfer is proposed to be given effect to in 1941–1942 only instead of in the current year. This accounts for the increase in the current year. The budget estimate for 1941–1942 allows a smaller provision for teaching and building grants but includes additional provision on account of grants for equipment and improvement of playgrounds. 199–200 and 223

518. *Grants to local bodies for secondary education.*—The budget estimate for 1941–1942 provides for larger provision for grants for buildings, equipment and improvement of play-grounds. 200 and 224

519. *Direct grants to non-Government primary schools.*—The estimates include additional provision under teaching grants to non-Government primary schools to pay the assigned grants in full. 201 and 226

520. *Grants to local bodies for primary education.*—The decrease in the revised estimate for 1940–1941 is due to the actual collection of education tax by certain district boards being less than anticipated and consequent reduction in the equivalent Government contribution payable to them. The budget estimate for 1941–1942 takes into account the levy of education cess by the Mangalore Municipality and the increase of the cess by the District Board, North Arcot. 202 and 227

521. *Government special schools.*—The decrease in the revised estimate for 1940–1941 is due to the closure of the Wardha Training School and to the operation of the revised scales of pay. The budget estimate for 1941–1942 includes provision for the continuance of the Physical Training class for Women, Saidapet, and for the opening of Secondary grade training classes in certain Government Training Schools for Masters. 203 and 228–230

522. *General—Inspection.*—The decrease in the budget estimate for 1941–1942 is mainly under pay of establishments due to the operation of the revised scales of pay offset by the appointment of Separate District Educational officers for the Madras and Cuddapah districts. 205 and 233–236

523. *General—Miscellaneous.*—The budget estimate for 1941–1942 provides for payment of grants to the Madras Olympic Association, the Madras Boy Scouts and Girl Guides Associations and the Hindustan Scout Association. 206 and 236–237

524. *Charges in England.*—The increase in the revised estimate for 1940–1941 is due to larger purchase of stores in England. The budget estimate for 1941–1942 includes provision for the purchase of machinery for the Engineering College. 207

Reference to pages in the Detailed Annual Estimate of Expenditure.



## Anglo-Indian and European education.

525. Sub-section (1) of section 83 of the Government of India Act, 1935, requires that, unless the Provincial Legislative Assembly otherwise resolve by a prescribed majority, a grant shall be made for the benefit of the Anglo-Indian and European communities for education not less in amount than the average of the grants made for their benefit in the ten financial years ending on the 31st March 1933 ; provided that if in any financial year the total grant for education in the Province is less than the average of the total grants for education in the ten financial years specified, then whatever fraction the former may be of the latter, any grant made in that financial year for the benefit of the Anglo-Indian and European communities need not exceed the same fraction of the average of the grants made for their benefit in the same ten financial years.

The average of the total grants for education in the Province of Madras in the ten financial years ending on the 31st March 1933 was 228·50 lakhs and the average in the same period for Anglo-Indian and European education was 8·05, that is $3\frac{1}{2}$ per cent of the total. Consequently a minimum provision of 8·05 lakhs has to be made for European education every year, unless the total provision for education in a particular year falls below 228·50 lakhs. The total amounts provided from 1939–1940 for education and for Anglo-Indian and European education are—

| | Total under 37. Education. | Total for Anglo-Indian and European Education. |
|---|---|---|
| | RS. LAKHS. | RS. LAKHS. |
| 1939–1940 (Accounts) .. | 263·57 | 8·01 |
| 1940–1941 (Revised Estimate) | 282·53 | 8·06 |
| 1941–1942 (Budget Estimate) | 286·62 | 8·05 |

## Classification of Expenditure as Medical and Public Health.

526. The governing principle laid down for determining whether an item of expenditure should be shown under the head Medical or the head Public Health, is that the head 38. Medical has reference to medical facilities given to the public through the treatment of individual cases, whilst the head 39. Public Health has reference to general measures affecting the public as a whole, e.g., sanitation, research, investigation, the control and combating of epidemic diseases, etc. But if an officer whose pay is debited to 38. Medical incurs expenditure relating to 39. Public Health, the expenditure is debited to the former head and *vice versa*.

231–271

## Grant XVI—Medical.

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 38. Medical— | | | | |
| Medical establishment .. .. | 8·76 | 8·94 | 8·66 | 8·59 |
| Hospitals and dispensaries .. | 71·12 | 76·10 | 76·41 | 77·14 |
| Medical colleges and schools .. | 11·06 | 11·33 | 11·28 | 11·75 |
| Mental hospitals .. .. | 4·82 | 4·81 | 5·02 | 5·15 |
| Chemical Examiner .. .. | ·44 | ·48 | ·44 | ·47 |
| Charges in England .. .. | 1·32 | 2·22 | ·96 | 1·20 |
| Loss or gain by exchange .. .. | ·01 | .. | .. | .. |
| **Total ..** | **97·53** | **103·88** | **102·77** | **104·30** |

*Expenditure.*

527. *Medical establishment.*—The charges relating to the Surgeon-General and District Medical Officers and their establishments and contingent expenditure, the pay of assistant and sub-assistant surgeons who do not hold sanctioned posts but are kept on reserve duty in hospitals (owing to the number of officers on leave being less than allowed for), the leave salaries of all medical officers belonging to cadres which have a leave and vacancy reserve and the expenditure on account of the administration of the Drugs Act,

Reference to pages in the Detailed Annual Estimate of Expenditure.

1940, are debited to this head, as also the travelling allowances paid to the persons sent from Madras as members of the All-India Medical Council, the grant, if any, to the Madras Medical Council and the customs duty on imported stores for all medical institutions.

528. *Hospitals and dispensaries.*—Under this minor head are shown the charges relating to all Government hospitals and dispensaries in the Province (including the tuberculosis sanatorium at Tambaram and the hospital attached to the Indian Medical School, but excluding mental hospitals), the pay and allowances of Government medical officers employed in institutions under the control of local bodies at taluk headquarter hospitals and at other stations (subject to recovery in the latter case), grants to local bodies and private institutions for the maintenance of hospitals and dispensaries and sanatoria and for buildings and equipment, grants to private leper asylums and the tuberculosis sanatoria at Madanapalle and Perundurai, subsidies to medical practitioners and midwives in connexion with rural dispensaries, maintenance grants to the Tirumani Leper Sanatorium, grants to the Provincial Branch of the British Empire Leprosy Relief Association for the leprosy relief campaign and grants for tuberculosis investigation and survey.

529. *Medical colleges and schools.*—The expenditure on the medical colleges at Madras and Vizagapatam and the Indian Medical School at Madras, capitation grants to the Missionary Medical School at Vellore and expenditure connected with the scheme of research into the indigenous drugs of India for which a grant is given by the Imperial Council of Agricultural Research are debited to this minor head.

530. *Mental hospitals.*—To this minor head are debited the charges relating to the mental hospitals at Madras, Waltair and Calicut.

531. *Chemical Examiner.*—Under this head are shown the charges (including contingent expenditure) relating to the Chemical Examiner and his staff and the charges payable to the Central Government for examination by the Imperial Serologist of articles sent to him by the Chemical Examiner.

532. *Charges in England.*—The sterling overseas pay and leave salaries of medical officers drawn in England, the cost of stores purchased in England for the Medical department, the contribution to the Tropical Diseases Bureau, and expenses connected with recruitment in England (usually of the nursing staff) are debited to this minor head.

533. *Loss or gain by exchange.*—This is explained in paragraph 689.

### Explanation of variations.

534. *Medical establishment.*—The decrease in the revised estimate for 1940–1941 is due mainly to vacancies in the Indian Medical Service cadre being filled up by members of the Provincial Medical Service on less pay. The budget estimate for 1941–1942 includes provision for expenditure connected with the administration of the Drugs Act, 1940. 245–248

535. *Hospitals and dispensaries.*—The increase in the revised estimate for 1940–1941 is due mainly to additional expenditure on the purchase of X-Ray equipment and furniture required for the new buildings of the Erskine Hospital, Madura, on diet charges consequent on an increase in the number of in-patients and on grants for the maintenance of the Danish Mission Hospitals at Tirukkoyilur and Vriddhachalam and the St. Joseph's Maternity Hospital at Nellore. The increase is partly counter-balanced by savings under pay of officers and establishments due to various causes such as vacancies in the Indian Medical Service cadre, transfer of debit from this head to Colleges of the pay of three Civil Surgeons who are also professors in the colleges, abolition of the posts of four sub-assistant surgeons and the operation of the revised scales of pay. Savings occur also in the maintenance charges of the Leprosy sanatorium at Tirumani and in the provision for subsidies to rural medical practitioners and midwives. 249–262

The budget estimate for 1941–1942 includes a provision of Rs. 1·94 lakhs for schemes of new expenditure detailed in the appendix. This additional expenditure is partly counter-balanced by savings under medicines and hospital necessaries and purchase of furniture due to the non-repetition of some special items of expenditure in 1940–41. The more important of the schemes of new expenditure for which provision has been included in the budget estimate for 1941–1942 are increases in the bed strength and the consequent employment of additional staff in the headquarters hospitals at Cocanada, Anantapur and Ramnad, purchase of X-Ray equipment and radium for the Erskine Hospital, Madura, purchase of steel bed-side lockers for some Government hospitals,

Reference to pages in the Detailed Annual Estimate of Expenditure.

employment of ward sisters and additional nursing staff in certain Government Hospitals, subsidies for new rural dispensaries and grants to District Tuberculosis Associations to meet establishment and other charges connected with the construction of tuberculosis clinics by the Public Works Department.

262–268 536. *Medical colleges and schools.*—The increase in the budget estimate for 1941–1942 is due mainly to the transfer of debit to this head from hospitals and dispensaries of the pay of three civil surgeons who are also professors in the colleges and to the appointment in August 1940 of a Professor of Hygiene in the Stanley Medical College. The estimates also provide for the scheme of research into the indigenous drugs of India for which a grant is made by the Imperial Council of Agricultural Research.

269–270 537. *Mental hospitals.*—The increase in the estimates occurs chiefly under pay of establishments due to the appointment of additional staff of temporary attendants and totis and under dietary charges due to an increase in the population of the mental hospitals. The budget estimate for 1941–1942 provides also for the purchase of furniture for and equipment of the two new blocks in the female enclosure of the Government Mental Hospital, Madras.

244–245 538. *Charges in England.*—The decrease in the estimates is due largely to officers not proceeding on leave out of India on account of the war and also to smaller expenditure on English stores.

272–286 **Grant XVII—Public Health.**

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 39. Public Health— | | | | |
| Public health establishments— | | | | |
| Ordinary expenditure . .. .. | 12·36 | 12·98 | 12·29 | 12·55 |
| Financed from deposit account .. .. | ·27 | ·13 | ·14 | ... |
| Grants for public health purposes .. .. | 8·72 | 7·98 | 8·59 | 5·44 |
| Expenses in connexion with epidemic diseases— | | | | |
| Ordinary expenditure .. .. .. | 1·41 | 1·93 | 1·71 | 2·04 |
| Financed from deposit account .. .. | ·16 | ·36 | ·24 | ·36 |
| Bacteriological laboratories .. .. | 4·15 | 4·31 | 4·69 | 5·47 |
| Transfer to the Fund for the development of rural water-supply. | .. | .. | 10·00 | .. |
| Expenditure from the Fund for the development of rural water-supply. | 4·19 | 5·00 | 5·00 | 6·50 |
| *Deduct*—Transfer from the Fund for the development of rural water-supply. | — 4·19 | — 5·00 | — 5·00 | — 6·50 |
| Works .. .. .. .. .. | .. | ·02 | .. | .. |
| Charges in England .. .. .. | ·23 | ·38 | ·34 | ·33 |
| **Total ..** | **27·30** | **28·09** | **38·00** | **26·19** |

*Expenditure.*

539. *Public health establishments—Ordinary expenditure.*—The expenditure debited to this minor head is that on the Director of Public Health and assistant directors, the malaria officer, district and municipal health officers, their assistants and health inspectors, the Sanitary Engineer and deputy sanitary engineers and the mechanical expert for the inspection of local bodies' water-works and pumping plant, the Director of Town-Planning, the rural sanitation officer and the research health officer and their staff and contingent expenditure, including the annual contribution to the East Godavari Agency District Board for the employment of vaccinators in the Bhadrachalam taluk and on the training school for health visitors conducted by the Public Health Department. Recoveries of centage charges on account of plans and estimates prepared by the Sanitary Engineering Department for water-supply and drainage schemes of local authorities are taken in reduction of expenditure under this head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

540. *Public health establishments—Financed from deposit account.*—The expenditure on the Poonamallee health unit scheme which was financed partly by contributions from the Rockefeller Foundation and the Chingleput District Board and partly from the grant received from the Central Government for economic development and improvement of rural areas, was shown under this head. The contributions were credited to the deposit account on receipt and an amount equal to the expenditure was withdrawn from the deposit account and credited to XXVIII. Public Health—Miscellaneous—*vide* paragraph 197. With effect from 1st October 1940, the expenditure on the scheme is being met entirely from Provincial revenues, but the question of financing it from the Central Government's grant is separately under consideration.

541. *Grants for public health purposes.*—The expenditure on grants to the Madras Corporation and other local bodies for water-supply and drainage schemes executed by them and for anti-malarial measures, to health and child-welfare associations and to the East Godavari Agency District Board for sanitary and other arrangements during the annual Sri Rama Navami festival at Bhadrachalam is debited to this minor head.

542. *Expenses in connexion with epidemic diseases—Ordinary expenditure.*—Under this minor head is shown the expenditure on plague establishments and preventive measures, on the purchase of quinine for free distribution and the reimbursement to the Cinchona Department of the loss involved in selling quinine at less than the cost price through post offices, and on sanitary measures in malarial tracts.

543. *Expenses in connexion with epidemic diseases—Financed from deposit account.*—The expenditure on anti-malarial operations partly financed from contributions from the Indian Research Fund Association and partly from provincial funds is shown under this head. The grant made by the Indian Research Fund Association is credited to the deposit account on receipt and an amount equal to half the expenditure representing the Association's share is withdrawn and credited to XXVIII. Public Health—Miscellaneous—*see* paragraph 197.

544. *Bacteriological laboratories.*—The expenditure on the King Institute of Preventive Medicine and on experiments on water filtration plant at Kilpauk is shown under this head.

545. *Transfer to the Fund for the development of rural water-supply.*—A fund for the execution within a reasonable period of time of a comprehensive scheme of protected water-supply for household purposes in the rural areas of this Presidency was established in 1937–1938 in the Deposit section of the accounts with an initial contribution from revenues of Rs. 18 lakhs in that year in order that the scheme may not be held up for want of funds. Further contributions which may be made to the Fund from time to time will also be debited to this minor head.

546. *Expenditure from the Fund for the development of rural water-supply and Deduct —Transfer from the Fund.*—When an item of work included in the comprehensive programme drawn up for a district is taken up for execution, the expenditure will be debited to this minor head, and a corresponding amount will be transferred from the amount to the credit of the Fund in the Deposit section of the accounts and adjusted in reduction of expenditure.

547. *Works.*—The expenditure on experiments on water filtration at Kilpauk was debited to this minor head, as the Sanitary Engineer was controlling the expenditure. The filter station at Kilpauk has since been transferred to the control of the Director, King Institute and the expenditure is now debited to the minor head 'Bacteriological Laboratories'.

548. *Charges in England.*—The charges relate to the leave salary of officers who spend their leave in Europe, sterling overseas pay and expenditure on stores purchased in England mainly for the King Institute.

## Explanation of variations.

549. *Public health establishments—Ordinary expenditure.*—The decrease in the revised estimate for 1940–1941 is chiefly due to the transfer of a senior officer as Assistant Professor of Hygiene, Madras Medical College, and the retirement of another senior officer and to larger recoveries (taken as reduction of expenditure under this head) of centage charges on account of plans and estimates prepared by the Sanitary Engineering Department for water-supply and drainage schemes of local authorities. The budget estimate 276–281

Reference to pages in the Detailed Annual Estimate of Expenditure.

for 1941–1942 anticipates smaller recoveries of centage charges than in 1940–1941 and includes provision for (i) the employment of second-class health officers in Palni, Karur, Anantapur and Villupuram municipalities; (ii) the bifurcation of the Yellavaram public health range in the East Godavari Agency; and (iii) the grant of additional stipends to candidates undergoing training as health visitors.

281–282 550. *Grants for public health purposes.*—The increase in the revised estimate for 1940–1941 is due largely to the disbursement of grants not provided for in the budget to the municipal councils of Adoni, Coimbatore, Karur, Salem and Srirangam for their water-supply and drainage works, partly offset by some reduction in the grants to the Madras Corporation.

The budget estimate for 1941–1942 provides for the undermentioned grants for water-supply and drainage works:—

| | RS. LAKHS. |
|---|---|
| Batlagunta water-supply .. .. .. .. .. | ·12 |
| Cocanada water-supply improvements .. .. .. .. | ·62 |
| Cocanada water-supply improvements extension of water main to the Collector's bungalow .. .. .. .. .. | ·05 |
| Coimbatore water-supply—Laying of additional main .. .. | ·44 |
| Coonoor water-supply .. .. .. .. .. | ·12 |
| Karamadai water-supply .. .. .. .. .. | ·10 |
| Madras Corporation water-supply and drainage .. .. .. | 2·85 |
| Madura water-supply .. .. .. .. .. | 1·96 |
| Negapatam drainage .. .. .. .. .. | ·05 |
| Rajahmundry drainage .. .. .. .. .. | ·27 |
| Salem drainage .. .. .. .. .. .. | ·37 |
| Tuticorin water-supply improvements .. .. .. .. | ·21 |
| Valparai water-supply .. .. .. .. .. | ·04 |
| Vayalpad water-supply .. .. .. .. .. | ·07 |
| Vellore water-supply improvements .. .. .. .. | ·43 |
| | 7·70 |
| Lump deduction for savings .. .. .. .. .. | — 2·33 |
| | 5·37 |

The decrease in the provision in the budget estimate for 1941–1942 is due to the execution now of water-supply and drainage works by the Public Works Department instead of the local bodies undertaking the works.

282–284 551. *Expenses in connexion with epidemic diseases—Ordinary expenditure and financed from deposit account.*—The decrease in the revised estimate for 1940–1941 is due to smaller expenditure on plague establishments and preventive measures and to the slow progress of anti-malarial works in the Wynaad. The budget estimate for 1941–1942 includes provision for expenditure on measures for the eradication of plague in Hosur, Salem district, and for the extension of the cyanogas fumigation scheme to the Chittoor district and the Bellary and Coonoor municipalities.

284–286 552. *Bacteriological laboratories.*—The increase in the revised estimate for 1940–1941 is due chiefly to the rise in the prices of sera and of instruments and chemicals required by the King Institute. The budget estimate for 1941–1942 allows for possible further increase in the prices of sera and includes also provision for a scheme for the establishment of a laboratory for the standardization of Tetanus Anti-Toxin and for the production of Tetanus Toxoid in the Institute and for the preparation of sterile solutions required for injections in Government hospitals.

275 553. *Transfer to the fund for the development of rural water-supply.*—As the balance in the Fund is dwindling, it is proposed to make a contribution of Rs. 10 lakhs to the Fund in the current year.

275 554. *Expenditure from the fund for the development of rural water-supply.*—The budget estimate for 1941–1942 anticipates larger expenditure on protected rural water-supply schemes.

Reference to pages in the Detailed Annual Estimates of Expenditure.

The transactions relating to this Fund are summarized below :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | 16·11 | 13·61 | 12·04 | 17·04 |
| *Add* receipts .. .. .. | ·12 | .. | 10·00 | .. |
| Total .. | **16·23** | **13·61** | **22·04** | **17·04** |
| *Deduct* outgoings .. .. .. | — 4·19 | — 5·00 | — 5·00 | — 6·50 |
| Closing balance .. .. .. | 12·04 | 8·61 | 17·04 | 10·54 |

## Grant XVIII—Agriculture.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 40. Agriculture— | | | | | 287–307 |
| Direction .. .. | ·76 | ·76 | ·92 | ·85 | |
| Superintendence .. .. .. | 2·22 | 2·28 | 2·25 | 2·71 | |
| Experimental farms .. .. | 3·35 | 3·56 | 3·49 | 3·73 | |
| Agricultural demonstration and propaganda including public exhibition and fairs. | 6·55 | 6·89 | 6·93 | 8·08 | |
| Agricultural education .. .. | 1·44 | 1·44 | 1·44 | 1·42 | |
| Agricultural experiments and research— Ordinary expenditure .. .. | 3·56 | 3·79 | 3·62 | 3·81 | |
| Financed from deposit accounts .. | ·94 | 1·01 | ·96 | ·92 | |
| Botanical and other public gardens .. | ·27 | ·26 | ·27 | ·26 | |
| Scheme for the improvement of agricultural marketing in India— | | | | | |
| Ordinary expenditure .. .. | ·25 | ·30 | ·30 | ·32 | |
| Financed from deposit account .. | ·22 | ·02 | ·19 | ·01 | |
| Special rural uplift schemes .. | .. | .. | .. | .. | |
| Grants-in-aid, contributions, etc. .. | ·19 | ·26 | ·26 | ·30 | |
| Charges in England .. .. | ·06 | ·23 | ·07 | ·05 | |
| Total .. | **19·81** | **20·80** | **20·70** | **22·46** | |

*Expenditure.*

555. *Direction.*—The charges relating to the Director and the Headquarters Deputy Director of Agriculture and their office establishments and contingent expenditure, and customs duty on stores for the department purchased in England, are shown under this head.

556. *Superintendence.*—The expenditure incurred on the pay and allowances of the Deputy and Assistant Directors of different circles and their office establishments and contingent expenditure is debited to this head.

557. *Experimental farms.*—To this minor head are debited the charges relating to agricultural research stations other than the Agricultural College and Research Institute, Coimbatore, the pomological stations at Coonoor and Kallar, the Burliyar gardens, and the fruit nurseries at Kodur and Taliparamba.

558. *Agricultural demonstration and propaganda including public exhibitions and fairs.*—Under this minor head is shown the expenditure incurred by the Agricultural Department on demonstration of and propaganda relating to improved methods of cultivation, purchase of seeds, manures and agricultural implements for distribution to seed farms and sale to ryots, maintenance and equipment of depots, stocking implements, seed, manure, etc., for sale to ryots, and measures for the control of diseases of crops.

Reference to pages in the Detailed Annual Estimates of Expenditure.



The expenditure incurred on exhibitions and shows held by the Agricultural Department on such occasions as flower shows, jamabandi camps, health week celebrations and district co-operative conferences is also shown under this minor head.

559. *Agricultural education.*—This relates to expenditure relating to the Agricultural College, the Central Farm and College Estate at Coimbatore and the Agricultural Schools at Anakapalle, Palur and Coimbatore.

560. *Agricultural experiments and research—Ordinary expenditure.*—The expenditure relates to the Research Institute at Coimbatore and the provincial share of the expenditure on schemes partly financed by the Imperial Council of Agricultural Research.

561. *Agricultural experiments and research—Financed from deposit account.*—The cost of research schemes relating to cotton, potato, sugarcane, fruits, groundnut, the malting of cholam, animal nutrition, sunn-hemp, coconuts, and dry farming, which are undertaken at the instance of the Imperial Council of Agricultural Research and the Indian Central Cotton Committee, and mainly at their cost, is debited to this head. An amount equal to this expenditure is transferred from the deposit account of the grant and credited to the revenue head XXIX. Agriculture—*vide* paragraph 201.

562. *Botanical and other public gardens.*—Under this minor head is shown the expenditure on the maintenance and supervision of the botanical gardens at Ootacamund and the Sim's Park Botanical Gardens, Coonoor.

563. *Scheme for the improvement of agricultural marketing.*—The expenditure on the Provincial Marketing Officer and his staff and on the marketing scheme financed by the Imperial Council of Agricultural Research is shown under this minor head. The expenditure from Provincial funds is shown as Ordinary expenditure. Under Financed from deposit accounts is shown the expenditure to be financed by the grant from the Imperial Council of Agricultural Research. An amount equal to this expenditure is transferred from the deposit account of the grant and credited to the revenue head XXIX. Agriculture—*vide* paragraph 201.

564. *Special rural uplift schemes.*—Expenditure on the purchase of seeds and ploughs in the Agency tracts for the uplift of Koyas is the only item debited to this minor head at present.

565. *Grants-in-aid, contributions, etc.*—The grants and contributions debited to this minor head are those given to the Agri-Horticultural Society, Madras, for training gardeners, to the same society and the Municipal Council, Kodaikanal, in connexion with parks and flower shows, to the Agricultural College Students' Club, to agricultural associations, exhibition committees, etc., for exhibition purposes, to the United Planters' Association of Southern India for development of planting industries, to the Tiruppur Co-operative Sale Society for carrying on the $CO_2$ seed development scheme, and to the Imperial Council of Agricultural Research for research into the quality of coffee.

566. *Charges in England.*—The expenditure incurred in England on the leave salaries and sterling overseas pay of officers of the Agricultural Department and on the purchase of stores for that department is shown under this head.

## Explanation of variations.

287 & 293 567. *Direction.*—The increase in the revised estimate for 1940–1941 is due to the grant of leave to the Director and the appointment of a substitute.

287 & 294 568. *Superintendence.*—The increase in the budget estimate for 1941–1942 is due to the reorganization of the Agricultural Department involving the appointment of nine Assistant Directors and reduction of two Deputy Directors.

288 & 295 569. *Experimental farms.*—The budget estimate for 1941–1942 includes provision for the employment of a Fruit Specialist and staff for centralization of work on fruits, for the continuance of work on dry farming research on red soils at Anantapur and for the scheme for investigation of diseases of pepper.

288 & 296–297 570. *Agricultural demonstration and propaganda including public exhibitions and fairs.*—The increase in the budget estimate for 1941–1942 is due to larger provision made for the purchase and distribution of seeds, manures, etc., to meet increased demands of ryots and also to the continuance of the scheme for the spread of Masipatam strains of cotton offset by smaller expenditure under pay of establishments consequent on the reorganization of the Agricultural Department.

Reference to pages in the Detailed Annual Estimates of Expenditure.

571. *Agricultural experiments and research—Ordinary expenditure.*—The decrease in the revised estimate for 1940–1941 is due to changes in personnel and the operation of the revised scales of pay. The budget estimate for 1941–1942 includes provision for scheme of research for the investigation of diseases of rice. 289–291 & 300–305

572. *Scheme for the improvement of agricultural marketing in India—Financed from deposit account.*—The variations in the revised estimate for 1940–1941 and budget estimate for 1941–1942 are due to the extension of the marketing scheme for a further period of one year from 1st April 1940. 291 & 306

573. *Charges in England.*—The estimates are based on the leave programme of the officers. 292

## Grant XIX—Veterinary.

308–323

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 41. Veterinary— | | | | |
| Superintendence .. .. .. | 1·79 | 1·80 | 1·75 | 1·62 |
| Subordinate establishment .. .. | 3·43 | 3·10 | 3·30 | 3·15 |
| Hospitals and dispensaries .. .. | 3·06 | 3·09 | 3·06 | 3·09 |
| Veterinary education and research— | | | | |
| Ordinary expenditure .. .. | 1·34 | 1·29 | 1·36 | 1·35 |
| Financed from deposit account .. | ·08 | ·10 | ·10 | ·12 |
| Other charges .. .. .. | ·86 | 1 02 | 1·03 | 1·07 |
| Breeding operations— | | | | |
| Ordinary expenditure .. .. | 1·50 | 1·33 | 1·57 | 1·57 |
| Financed from deposit account .. | ·04 | ·06 | ·05 | ·04 |
| Charges in England .. .. | ·20 | ·19 | ·11 | ·24 |
| Total .. | 12·30 | 11·98 | 12·33 | 12·25 |

*Expenditure.*

574. *Superintendence.*—The expenditure on the Director of Veterinary Services and his establishments and on customs duty on stores purchased in England for institutions other than the Veterinary College and hospital and the charges relating to the district supervision staff and their establishments are debited to this minor head.

575. *Subordinate establishment.*—The charges relating to the touring veterinary establishments, and the cost of sera and vaccines purchased from Mukteswar are debited to this minor head.

576. *Hospitals and dispensaries.*—Under this minor head are shown the charges relating to the Government veterinary hospitals and dispensaries.

577. *Veterinary education and research—Ordinary expenditure.*—The expenditure on the Madras Veterinary College and hospital, the dispensary at Rayapuram and the scheme of veterinary investigation is debited to this minor head.

578. *Veterinary education and research—Financed from deposit accounts.*—The expenditure on the scheme of veterinary investigation, except for a small part which is met from Provincial revenues, and a moiety of the expenditure on the scheme for enquiry into the helminthiasis of cattle and the scheme for investigation into diseases of poultry are financed by the Imperial Council of Agricultural Research. The grants made by the Council are credited into the deposit account and an amount equal to the expenditure is withdrawn and credited to the head XXX, Veterinary—*vide* paragraph 207.

579. *Other charges.*—This minor head exhibits the charges relating to the Madras Serum Institute.

Reference to pages in the Detailed Annual Estimates of Expenditure.

580. *Breeding operations—Ordinary expenditure.*—The charges relating to the Live-stock Development Officer, and the Livestock Research Station at Hosur; the expenditure on livestock development schemes, such as the scheme to assist Sugalis in Kurnool district, maintenance of the breeding bulls at veterinary hospitals, the grant of premia to co-operative societies and private parties for the maintenance of breeding bulls, and charges on account of poultry improvement; grants-in-aid to associations and exhibition committees; and contributions to local bodies for the purchase and maintenance of breeding bulls are debited to this minor head.

581. *Breeding operations—Financed from deposit accounts.*—The expenditure on the sheep breeding scheme which has been undertaken at the instance of the Imperial Council of Agricultural Research a moiety of the expenditure on the milk recording scheme and the expenditure on the purchase and maintenance of breeding bulls which is met out of donations received from institutions and individuals are debited to this minor head. An amount equal to the expenditure is withdrawn from the deposit account and credited to the revenue head XXX. Veterinary—*vide* paragraph 207.

582. *Charges in England.*—The expenditure incurred in England on the leave salary and the sterling overseas pay of the officers of the Madras Veterinary Department and on the purchase of stores required for that department is shown under this minor head.

EXPLANATION OF VARIATIONS.

308 & 312–314 583. *Superintendence.*—The decrease in the budget estimate for 1941–1942 is due to the retirement of certain senior officers.

308 & 314–315 584. *Subordinate establishment.*—The increase in the revised estimate is due to the purchase of certain sera from Mukteswar instead of their being manufactured in the Madras Serum Institute. The budget estimate for 1941–1942 provides for the manufacture of these sera at the Madras Serum Institute and for the employment of four additional touring Veterinary Assistant Surgeons.

310 & 321–223 585. *Breeding operations.*—The increase in the revised estimate for 1940–1941 is due to the permanent Live.tock Development Officer not going on leave as proposed and to the appointment of a senior officer as Superintendent of the Research Stations.

311 586. *Charges in England.*—The increase in the budget estimate for 1941–1942 is due to provision made for larger purchase of stores in England.

## Grant XX—Co-operation.

324–328

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 42. Co-operation— | | | | |
| Direction .. .. .. | 1·09 | 1·11 | 1·11 | 1·02 |
| Superintendence— | | | | |
| Ordinary expenditure .. | 12·31 | 12·79 | 12·53 | 13·01 |
| Financed from deposit account. | ·43 | ·51 | ·80 | ·70 |
| Grants-in-aid— | | | | |
| Ordinary expenditure .. | ·18 | ·21 | ·13 | ·20 |
| Financed from deposit account. | ·22 | ·25 | ·23 | ·28 |
| Charges in England .. .. | ·02 | ·02 | ·03 | .. |
| **Total ..** | **14·25** | **14·89** | **14·83** | **15·21** |

*Expenditure.*

587. *Direction.*—The expenditure on account of the Registrar, Joint Registrar and Personal Assistant and subordinate staff is debited to this minor head.

588. *Superintendence—Ordinary expenditure.*—The expenditure on the staff of the Co-operative Department other than that included in the foregoing minor head, the Government staff employed in societies and land mortgage banks and for audit, execution and liquidation work and the expenditure on the Central Co-operative Training Institute are debited to this minor head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

589. *Superintendence—Financed from deposit account.*—Under this head is shown the expenditure from the Central Government's grant for co-operative training and education. An amount equal to the expenditure is transferred from the deposit account and credited to the head XXXI. Co-operation—vide paragraphs 211 and 792.

590. *Grants-in-aid—Ordinary expenditure.*—Under this head is shown the expenditure on account of clerical assistance and reimbursement of registration and encumbrance certificate fees for communities eligible for help by the Labour department societies and subsidies to the Provincial Co-operative Union for running peripatetic training institutes, to the Provincial Marketing Society and to other co-operative societies working at a loss towards stamp duty on sale certificates issued in their favour, and to certain small loan and sale societies towards the cost of the staff employed by them.

591. *Grants-in-aid—Financed from deposit account.*—Under this head is shown the expenditure from the Central Government's grant from the Sugar Excise Duty for subsidizing the societies of sugarcane growers. An amount equal to the expenditure is transferred from the deposit account and credited to the head XXXI. Co-operation—vide paragraph 211.

592. *Charges in England.*—Under this minor head is debited the expenditure on the leave salary and sterling overseas pay of the officers of the Co-operative Department.

EXPLANATION OF VARIATIONS.

593. *Superintendence—Ordinary expenditure.*—The decrease in the revised estimate for 1940–1941 is mainly due to reduction under pay of temporary establishments due to the variations of strength. The budget estimate for 1941–1942 provides for increments accruing during the year and for leave salary and for the employment of six junior Inspectors in connexion with the new scheme relating to the colonization of compact blocks of land in Tanjore and Kistna districts. 325 and 327–328

594. *Grants-in-aid—Financed from deposit account.*—The increase in the revised estimate for 1940–1941 is due to the sanction of certain new schemes to be met out of the grant. 325 and 328

## INDUSTRIES.

595. The major head 43. Industries records the expenditure connected with the Industries, Cinchona and Fisheries Departments. It is distributed over two grants, namely, Grant XXI. Industries and Grant XXII. Cinchona and Fisheries.

In addition, the capital outlay on industrial development financed from sources other than current revenues is booked under the major head 72. Capital Outlay on Industrial Development, which is included in Grant XXXIII.

### Grant XXI—Industries.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 43. Industries— | | | | | |
| Industries— | | | | | |
| Ordinary expenditure .. .. .. .. | 10·45 | 11·00 | 11·44 | 11·35 | 329–345 |
| Financed from deposit accounts .. .. | ·30 | ·16 | ·30 | ·38 | |
| Grants-in-aid— | | | | | |
| Ordinary expenditure .. .. .. .. | 2·39 | 3·12 | 2·06 | 2·39 | |
| Financed from deposit accounts .. .. | ·83 | 1·27 | 1·33 | 1·01 | |
| Charges in England .. .. .. .. .. | ·25 | ·21 | ·21 | ·27 | |
| Total .. | 14·22 | 15·76 | 15·34 | 15·40 | |

*Expenditure.*

596. *Industries.*—Under the minor head Industries is recorded the expenditure on the following :—

(1) The Director of Industries and Commerce, Inspector of Industrial Schools, Industrial Engineer and the Statistical Officer for the compilation of statistics relating to production and prices, and their establishments and other expenditure.

(2) District industrial engineering establishments for pumping and boring operations which are mainly intended to help ryots to get water for irrigation.

(3) The cost of scholarships for Madrasi students in the Indian Institute of Science, Bangalore, the Victoria Jubilee Technical Institute, Bombay, the Andhra University and other institutions and State technical scholarships.

(4) The Industrial Schools at Bellary, Calicut and Madura, the Trade School at Mangalore, the School of Technology, the Leather Trades Institute, the School of Arts and Crafts and the Textile Institute in Madras.

(5) Sericulture and other operations connected with it.

(6) The Kerala Soap Institute, Calicut, and experiments on oils, fats, etc., in the Institute.

(7) The Industrial Engineering Workshops, Madras.

(8) Miscellaneous experiments and demonstrations including the sericultural and the cottage and small scale woollen industries subsidized by the Central Government.

597. *Grants-in-aid.*—This minor head includes the expenditure on—

(1) Grants-in-aid to industrial schools for maintenance, building, equipment, capitation and stipendiary grants;

(2) Contributions to the Victoria Jubilee Technical Institute, Bombay, and the Indian Institute of Science, Bangalore;

(3) Grants for the hand-spinning movement; and

(4) Development of handloom, and the cottage and small scale woollen industries financed wholly or partly by grants received from the Central Government.

(5) Industrial Museum.

598. *Charges in England.*—The expenditure in England on leave salaries and deputation pay of officers of the Industries department, on stores purchased for the department, on industrial scholarships tenable in England and on the recruitment of officers is debited to this minor head.

### Commercial Concerns.

599. The Kerala Soap Institute, Calicut, in respect of its soap manufacturing activities and the Industrial Engineering Workshops, Madras, are treated as business undertakings, and commercial accounts outside the regular accounts are maintained for them with annual profit and loss accounts and balance sheets. Two special items relating to them, which enter into the regular accounts, are :—

(1) Interest charges on the capital invested on them, the object and details of which are explained in paragraphs 378 and 386; and

(2) Depreciation funds for renewals and replacements.

Each of these undertakings has a depreciation fund of its own in the deposit section of the Government accounts. The annual allowance for depreciation of capital assets and the sale-proceeds of unserviceable plant and machinery are credited to the fund as receipts. The depreciation fund may be drawn upon only for renewals and replacements of old assets and not for additions or improvements, which should be financed as new capital outlay. When the fund is so drawn upon, the amount is debited to it as outgoings. Such portion of the depreciation fund as is not utilized for renewals and replacements is regarded as invested with the Government, who pay interest thereon. The annual allowance for depreciation is debited as expenditure under the head 43. Industries. Expenditure on renewals and replacements is debited to the same head, but the debit is cancelled by the transfer of an equivalent amount from the depreciation fund, which is adjusted in reduction of expenditure.

### Explanation of variations.

333–343 600. *Industries—Ordinary expenditure.*—The increase in the revised and the budget estimates is the net effect of increases under pay of officers on account of the extension of service of an officer on higher rate of pay and under industrial schools to meet the larger demand for school-made articles offset by a decrease under purchase of shares under the State-Aid to Industries Act and under the district engineering branch owing to a smaller expenditure on purchase of plant and machinery in India.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The budget estimate for 1941–1942 also provides for the following new schemes :—

(1) Purchase of two motors and a high tension transformer for the Government Industrial School, Madura.

(2) Constitution of a peripatetic flaying and tanning demonstration party.

(3) Appointment of a special officer to develop cottage industries in the Ceded districts.

(4) Constitution of two demonstration parties to conduct demonstration in the manufacture of hand-made paper and carry on experimental work.

(5) Supply of Japanese foot-reeling machines with a re-reeling attachment to silk reelers free of cost.

601. *Financed from deposit accounts.*—The revised and the budget estimates represent mainly the expenditure on sericultural industry transferred to this head from grants-in-aid.

602. *Grants-in-aid—Ordinary expenditure.*—The Government have decided that the grant for the hand-spinning movement should be limited to the average of the net receipts under the Madras Regulation of the Sale of Cloth Act for the previous three years. Provision has been made accordingly in the budget estimate for 1941–1942. The increase in the budget estimate for 1941–1942 as compared with the revised estimate for 1940–1941 is chiefly due to the provision of larger grants for industrial schools for maintenance, buildings and equipment. 344–345

603. *Financed from deposit accounts.*—The decrease in the budget estimate for 1941–1942 is chiefly due to the exclusion of expenditure on sericultural industry from grants-in-aid—see paragraph 601 and to smaller expenditure anticipated under grants for the hand-loom industry.

604. *Deposits of Depreciation Reserve of Government Commercial concerns.*—The combined transactions of the two concerns, the Kerala Soap Institute and the Industrial Engineering Workshops, are summarised below :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. .. .. | 1·49 | 1·58 | 1·58 | 1·66 |
| *Add* Receipts .. .. .. .. .. | ·09 | ·09 | ·09 | ·09 |
| Total .. | 1·58 | 1·67 | 1·67 | 1·75 |
| *Deduct*—Outgoings .. .. .. .. | .. | .. | ·01 | .. |
| Closing Balance .. .. .. .. .. | 1·58 | 1·67 | 1·66 | 1·75 |

## Grant XXII—Cinchona and Fisheries.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 43. Industries— | | | | | |
| Cinchona plantations .. .. .. | 5·81 | 5·17 | 19·57 | 6·94 | 346–358 |
| Fisheries .. .. .. .. .. | 5·60 | 5·70 | 5·74 | 5·59 | |
| Charges in England .. .. .. .. | ·37 | ·27 | ·27 | 0·32 | |
| Total .. | 11·78 | 11·14 | 25·58 | 12·85 | |

605. *Cinchona Plantations.*—The expenditure on the Director of Cinchona and his staff, on the factory for the manufacture of quinine from cinchona bark harvested from the department's plantations in Naduvattam, Dodabetta and the Anamalais or purchased from elsewhere, and on the development of these plantations except the Anamalais is debited to this minor head. The capital expenditure on the Anamalais plantations and the expenditure on the construction of permanent quarters are debited to the Capital head 72. Capital Outlay on Industrial Development.

The cinchona plantations are treated as a business undertaking, and commercial accounts outside the regular accounts are maintained for them with annual profit and loss accounts and balance sheets. Two special items relating to them which enter into the regular accounts are—

(1) Interest charges on the capital invested on them, the object and details of which are explained in paragraphs 378 and 386 ; and

(2) Depreciation funds for renewals and replacements.

The undertaking has a depreciation fund of its own in the deposit section of the Government accounts. The annual allowance for depreciation of capital assets and the sale-proceeds of unserviceable plant and machinery are credited to the fund as receipts. The depreciation fund may be drawn upon only for renewals and replacements of old assets and not for additions or improvements which should be financed as new capital outlay. When the fund is so drawn upon, the amount is debited to it as outgoings. Such portion of the depreciation fund as is not utilized for renewals and replacements is regarded as invested with the Government, who pay interest thereon.

606. *Fisheries.*—To this minor head is debited the expenditure on the three Assistant Directors of Fisheries and their staffs, the pearl and chank fishing operations off the coast of Tinnevelly district (the former at long intervals and the latter annually), the maintenance of fishery vessels, the experimental and research stations at several places including fish-breeding operations, the Marine Aquarium at Madras, the fish-curing yards on both the east and the west coasts, departmental schools for the fisherfolk, fixed compensations to local bodies for loss of fishery rentals due to the Government's taking over their fisheries and payment of grants to the Nilgiri and Palni Hills Game Associations.

The largest items of the expenditure are those incurred on chank fishing operations, fishery schools, compensations to local bodies and fish-curing yards.

607. *Charges in England.*—The expenditure in England on leave salaries and deputation pay of officers of the Cinchona and Fisheries departments and on stores purchased for these departments is debited to this minor head.

EXPLANATION OF VARIATIONS.

349–351 608. *Cinchona Plantations.*—Owing to the possible interruption of imports due to war, it was decided at the instance of the Government of India to lay in sufficient reserves of quinine to meet the normal annual requirements for the next four years. The increase in the revised estimate for 1940–1941 is due to the purchase of Java bark and quinine sulphate for reserve stock and the decrease in the budget estimate for 1941–1942 is due to the absence of the special purchase.

609. *Deposits of Depreciation Reserve—Government Commercial concern—Cinchona.*—The transactions of the Government cinchona concern are as shown below :—

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | 1·26 | 1·31 | 1·31 | 1·39 |
| *Add*—Receipts .. .. .. | ·10 | ·10 | ·11 | ·12 |
| **Total** .. | **1·36** | **1·41** | **1·42** | **1·51** |
| *Deduct*—Outgoings .. .. .. | ·05 | ·03 | ·03 | ·06 |
| Closing balance .. .. .. | 1·31 | 1·38 | 1·39 | 1·45 |

352–358 610. *Fisheries.*—The post of the Director of Fisheries was abolished in August, 1940, and the Fisheries department has been placed in charge of the Director of Industries and Commerce. The abolition of the post of the Director of Fisheries and the decision to entrust to the Public Works Department the execution of all petty works of the Fisheries department requiring technical skill and professional supervision mainly account for the decrease in the budget estimate for 1941–1942, the decrease being partly offset by the provision made for the following new schemes :—

(1) Establishment of a Fisheries Technological Institute at Tuticorin.

(2) Popularisation of Gourami fish in rural areas.

(3) Taking over the management of the Elementary school at Yerumal in the South Kanara district.

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Grant XXIII—Miscellaneous Departments.

The expenditure booked under the heads mentioned below is included in this grant:—

44. Aviation.
47. Miscellaneous Departments.

The following is a summary of the grant by minor heads :— 359–376

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 44. Aviation— | | | | |
| Grants for aviation purposes .. .. .. | .. | .. | ·10 | ·23 |
| 47. Miscellaneous departments— | | | | |
| Labour .. .. .. .. | 15·92 | 17·29 | 16·85 | 18·00 |
| Inspector of Factories .. | ·76 | ·78 | ·75 | ·83 |
| Inspector of Steam Boilers .. .. | ·52 | ·61 | ·54 | ·62 |
| Examinations .. .. .. | 3·75 | 3·84 | 3·94 | 4·15 |
| Provincial statistics— | | | | |
| Registration of births and deaths .. | ·17 | ·18 | ·12 | ·12 |
| Administration of Indian Partnership Act, 1932 .. .. .. .. | ·03 | ·03 | ·03 | ·03 |
| Charges in England .. .. .. | ·06 | ·01 | ·01 | .. |
| **Total** .. | 21·21 | 22·74 | 22·24 | 23·75 |
| **Grand total** .. | 21·21 | 22·74 | 22·34 | 23·98 |

*Expenditure.*

611. *Grants for aviation purposes.*—Grants given to the Madras Flying Club for purposes connected with the imparting of instruction in flying and allied subjects are debited to this head.

612. *Labour.*—Expenditure incurred on the Commissioner of Labour and his executive staff in the districts, on measures for the amelioration of the condition of the communities eligible for help by the Labour department and of landless labourers, e.g., special educational facilities, provision of wells, pathways, burial grounds, house-sites, etc., on the reclamation of Kallars, Yenadis and Koravars and on settlements for criminal tribes is debited to this minor head. Grants to private educational institutions established solely for the communities eligible for help by the Labour department and to the Salvation Army for the supervision of the Stuartpuram settlement for criminal tribes, and the contribution to the Bombay Government for the maintenance of the Donga Dasaris of the Bellary district who are interned in the Hubli settlement and the expenditure on Courts of Enquiry constituted under the Trades Disputes Act, 1929, are also debited to this head.

613. *Inspector of Factories.*—The charges on account of inspectors of factories and their establishments are recorded under this head.

614. *Inspector of Steam Boilers.*—Under this head are shown the pay and allowances of inspectors of boilers and their establishments and contingent expenditure. The department inspects also the boilers in Coorg and in the Civil and Military Station, Bangalore, and the recoveries on this account are taken in reduction of expenditure under this head.

The inspection for the registration and renewal of boilers in the pumping stations of local bodies is also done by the regular boiler inspection staff, but the regular inspection of the pumping machinery is conducted by a mechanical expert under the Sanitary Engineer and the cost of such inspection is debited to the head 39. Public Health—Public Health Establishments—Sanitary and Deputy Sanitary Engineers.

Reference to pages in the Detailed Annual Estimate of Expenditure.

615. *Examinations.*—Under this head are recorded the charges connected with the village officers' special tests and the examinations conducted by the Commissioner for Government Examinations, e.g., the Secondary School-Leaving Certificate, Training-School Leaving Certificate, technical and other miscellaneous examinations. The fixed amounts of compensation paid to the Madras University and the Andhra University for the loss of fee income from the Matriculation Examination due to the introduction of the Secondary School-Leaving Certificate Examination are also debited to this head.

616. *Provincial statistics.*—The expenditure debited to this minor head includes that on the staff in the office of the Registrar-General of Births, Deaths and Marriages and the remuneration paid to the marriage registrar in Madras and the pay and contingent expenditure of the staff employed in the office of the Director of Public Health for the compilation of vital statistics.

617. *Administration of the Indian Partnership Act,* 1932.—The expenditure on the administration of the Indian Partnership Act, which consists of the honorarium paid to the Inspector-General of Registration, who is the administrator of the Act in this Province, and the pay, allowances and contingent expenditure of the staff employed for the purpose is debited to this minor head. The expenditure is covered by receipts, which are credited to XXXVI. Miscellaneous departments—Administration of the Indian Partnership Act.

618. *Charges in England.*—The leave salaries and overseas pay drawn in England by the Commissioner of Labour and others, and the cost of stores purchased in England are debited to this head.

EXPLANATION OF VARIATIONS.

619. *Grants for aviation purposes.*—The Government have sanctioned a recurring
359 subsidy of Rs. 10,000 a year for five years to the Madras Flying Club in order to enable it to reduce its charges for imparting instruction in flying and allied subjects. The revised estimate for 1940–1941 represents the payment made in the current year. The budget estimate for 1941–1942 includes provision for an additional subsidy for a scheme for imparting instruction in Air Force Training to Cadets of the University Training Corps.

620. *Labour.*—The decrease in the revised estimate for 1940–1941 is due mainly to
365–371 the non-employment of the full sanctioned strength of teachers in certain districts and to the non-utilization of the budget provision made under this head for the grant of fee concessions to pupils belonging to communities eligible for help by the Labour Department. (The expenditure on fee concessions is debited to 37. Education in the current year). The decrease is partly counterbalanced by an additional expenditure in the Chintaladevi Criminal Tribes settlement on account of the introduction of a match manufacturing industry.

The budget estimate for 1941–1942 provides for the extension of the activities of the Labour Department connected with the spread of education, provision of water-supply and acquisition of house-sites for the benefit of the communities eligible for help by the Labour Department and for increased boarding grants for pupils belonging to these classes and for a full year's expenditure on the match manufacturing industry in the Chintaladevi Criminal Tribes settlement. Provision has also been included under this head, instead of under 37. Education, for the grant of fee concessions to pupils belonging to communities eligible for help by the Labour Department and for scholarships granted by other departments (Education, Agriculture, Veterinary and Industries) and hitherto shown under other major heads.

374–375 621. *Examinations.*—The growing increase in the number of candidates for the Secondary School-Leaving Certificate and Training-School Leaving Certificate examinations accounts mainly for the increase in the estimates.

## Civil Works.

622. The expression "Civil Works" in the Government accounts means works relating to Civil Departments and local bodies and executed for them by the Public Works Department, as contrasted with "Defence Works," which relate solely to the Defence Department of the Central Government. Road and bridge works executed by local bodies partly or wholly with Government grants-in-aid are also treated as "Civil Works."

623. Ordinarily works which do not require the employment of skilled labour or professional supervision are classified as petty construction and repairs, and are not executed by the Public Works Department for other departments but by the department concerned. Some departments, e.g., the Forest Department, have engineering staffs of their own and some others, e.g., the Excise, Police and Agriculture Departments, are unable to utilize the services of the Public Works Department for buildings in out-of-the-way localities. In such cases also departmental works are executed by the departments themselves and the cost is debited to the respective departmental budget heads.

624. In certain other cases, e.g., Police stations and Police lines borne on the Police registers, the Public Works Department is sometimes entrusted with the execution of works requiring the employment of skilled labour or professional supervision. In such cases, the expenditure is debited to the departmental budget head together with the prescribed centage charges payable to the Public Works Department, the latter being adjusted in reduction of expenditure under 50. Civil Works—Establishments.

625. The expenditure incurred by the Public Works Department is debited to the following major heads :—

50. Civil Works, when it is met from current revenues.

81. Capital Account of Civil Works outside the Revenue Account when it is met from other sources.

Expenditure debited to 50. Civil Works is, for convenience, included in three grants, namely :—

*Grant XXIV*.—Civil Works—Works, which covers original works such as buildings and communications, and also repairs to works in the charge of the Public Works Department.

*Grant XXV*.—Establishment and tools and plant.

*Grant XXVI*.—Grants-in-aid to local bodies for roads and bridges executed by them and water-supply and drainage schemes executed by the Public Works Department on their behalf.

Expenditure debited to 81. Capital Account of Civil Works outside the Revenue Account is included in Grant XXXIV. Civil Works outside the Revenue Account.

### Grant XXIV—Civil Works—Works.

| | Accounts 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate. 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 50. Civil Works— | | | | | |
| Original Works—Buildings .. .. | 13·96 | 12·81 | 12·07 | 17·61 | 377–379 |
| Original Works—Communications .. .. | 3·29 | 2·79 | 3·22 | 3·84 | |
| Original Works—Miscellaneous .. .. | .. | ·45 | ·05 | ·40 | |
| Lump-sum deduction for probable savings .. | .. | —·88 | .. | —1·21 | |
| Repairs .. .. .. .. .. | 19·17 | 19·80 | 20·05 | 20·90 | |
| Suspense .. .. .. .. | ·39 | ·29 | —·37 | —·23 | |
| Lump addition for regrant of lapses .. | .. | ·10 | .. | ·10 | |
| **Total ..** | **36·81** | **34·78** | **35·02** | **41·41** | |

*Expenditure.*

626. *Original Works—Buildings.*—All outlay on the acquisition of buildings and new construction, whether of entirely new works or of alterations and additions to existing works, as well as special repairs to newly purchased or previously abandoned buildings required before they can be brought into use, is classed as expenditure on Original Works. Under this head comes also any substitution of one variety of work for another, e.g., a tiled for a thatched roof, when the new work results in a genuine increase in the permanent value of the property as an asset. The maximum annual limit for improvements to Government Houses has been fixed at Rs. 50,000 under the Government of India (Governors' Allowances and Privileges) Order, 1936—*vide* paragraph 398.

Reference to pages in the Detailed Annual Estimate of Expenditure.

627. *Original Works—Communications.*—The outlay incurred by the Public Works Department on works relating to communications under their control and on similar works entrusted to the department by local bodies for execution, is debited to this minor head. It includes construction, reconstruction or substantial improvement of roads, bridges, ferries, tunnels, ropeways, causeways, tramways and other means of communication, together with buildings, wells, encamping grounds, etc., for travellers, and milestones, fencing, avenue planting, inspection houses, and other works connected with communications, such as experimental road surfacing.

628. *Original Works—Miscellaneous.*—Outlay on works is debited to this head only when there is absolutely no other existing head to which it can suitably be debited. Embankment works which are not debitable to irrigation heads, and works to prevent coast erosion, are the items usually brought under this minor head.

629. *Lump-sum deduction for probable savings.*—This is explained in paragraph 799.

630. *Repairs.*—This head covers all operations other than new works, which are necessary in order to maintain in proper condition buildings and other works and communications which are in ordinary use. It includes also rates and taxes paid by the Public Works Department on both residential and non-residential buildings, charges on account of watchmen for vacant buildings and rents paid for hired residences. The maximum annual expenditure on repairs to Government Houses has been fixed, under the Government of India (Governors' Allowances and Privileges) Order, 1936, as follows—*vide* paragraph 398 :—

| | RS. |
|---|---|
| Repairs .. .. .. .. .. | 98,000 |
| Electricity .. .. .. .. | 45,000 |
| Water .. .. .. .. .. .. | 18,000 |
| Taxes .. .. .. .. .. .. | 65,000 |
| Total .. | 2,26,000 |

631. *Suspense.*—This minor head is intended to cover transactions relating to purchases, stock, miscellaneous public works advances, English stores and workshop suspense. These heads are of a temporary character and all transactions recorded under them are ultimately removed either by payment or recovery in cash or by adjustment to the works concerned. The transactions therefore consist of both debits and credits, and the latter are adjusted in reduction of expenditure.

632. *Lump addition for regrant of lapses.*—This is explained in paragraph 796.

## EXPLANATION OF VARIATIONS.

377–378 633. *Original Works—Buildings.*—The decrease in the revised estimate for 1940–1941 is due to savings in tender rates, slow progress on some works owing to delay in the preparation of detailed plans and estimates and in the delivery of necessary materials and to the postponement of the work relating to the construction of a building for the Government Islamiah High School, Trichinopoly, partly offset by the introduction of certain new schemes in the course of the year 1940–41. The budget estimate anticipates better progress on incomplete works and provides for the following new works :—

(1) Reconstruction of the tenements in the left wing of the Indian Infantry Lines, Perambur.

(2) Construction of a dining hall with an overhead tank and reconstruction of the kitchen, etc., in the Senior Certified School, Chingleput.

(3) Electrification of the Borstal School, Palamcottah, and certain residential quarters.

(4) Electrification of the Central Jail, Vizagapatam.

(5) Construction of a common swimming bath for the Police Training School and the Central Recruits' School, Vellore.

(6) Reconstruction of the Sub-Inspectors' Mess in the Police Training School, Vellore.

(7) Construction of an additional block for the Municipal High School, Ootacamund.

Reference to pages in the Detailed Annual Estimate of Expenditure.

(8) Construction of an upper floor over the refractory ward on the men's side of the Government Mental Hospital, Madras.

(9) Construction of additional quarters for the nursing staff of the Government Mental Hospital, Madras.

(10) Extension and improvements to the kitchens in the Government Mental Hospital, Madras.

(11) Construction of sixteen additional single cells for men patients in the Government Mental Hospital, Waltair.

(12) Construction of additional buildings in the Government Mental Hospital, Calicut.

(13) Construction of nurses' quarters in the Government Victoria Caste and Gosha Hospital, Madras.

(14) Construction of additional hospitals and residential buildings at the Tuberculosis Sanatorium, Tambaram.

(15) Construction of new quarters for the nursing staff of the Government Ophthalmic Hospital, Madras.

(16) Construction of additional staff quarters in the Lady Willingdon Leprosy Sanatorium, Tirumani.

(17) Improvements to the Headquarters Hospital at Ootacamund.

(18) Opening of a model dairy farm at the military grass farm, Teynampet.

(19) Construction of buildings for the Veterinary Dispensary, Tiruvarur.

634. *Original Works—Communications.*—The increase in the revised and the budget estimates is chiefly due to good progress on some works and to the inclusion of provision for the three trunk roads in the Nilgiri district transferred from the District Board to the Public Works Department. 378

The undermentioned works are financed from the Central Road Fund :—

| Work. | Total estimated cost. | Expenditure to end of 1939–1940. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) |
| (1) Replacing the failed surfacings on the Great Northern Trunk Road from mile 4–5–600 to mile 5/1 with 2½″ asphalt concrete. | ·14 | ·01 | ·13 | .. |
| (2) Construction of a road over Sangam Anicut. | ·50 | .. | .. | ·10 |
| (3) Formation of road from Pedapudi to Intur. | ·15 | .. | .. | ·15 |
| (4) Improving the Anamalai Ghat Road by strengthening or reconstructing the dilapidated weak culverts. | 1·00 | ·08 | ·30 | ·35 |
| (5) Constructing a by-pass road at Coonoor. | ·15 | .. | ·14 | .. |
| (6) Strengthening and widening the culverts on the Yercaud Ghat Road. | ·22 | .. | ·15 | ·07 |
| (7) Widening the Yercaud Ghat Road .. | ·26 | ·05 | ·21 | .. |
| (8) Cement concreting the road over the Lower Anicut and approaches, Cauvery. | ·44 | .. | ·42 | .. |
| Total .. | 2·86 | ·14 | 1·35 | ·67 |

635. *Miscellaneous.*—The variation in the estimates is due to slow progress of works in 1940–41 and to their anticipated completion in 1941–42. 378

636. *Repairs.*—The increase in the estimates is chiefly due to repairs to the Plassey Barracks, Bellary, and to the inclusion of provision for the three trunk roads in the Nilgiri district transferred from the District Board to the Public Works Department, partly offset by savings under some other items. 379

637. *Suspense.*—This is a fluctuating head. 379

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Grant XXV—Civil Works—Establishment and Tools and Plant.

| Reference | | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| 381–384 | 50. Civil Works— | | | | |
| | Establishment .. .. .. | 37·84 | 37·72 | 37·01 | 37·66 |
| | Charges in England .. .. | 1·39 | 1·38 | ·92 | ·98 |
| | Loss or gain by exchange .. .. | ·01 | .. | .. | .. |
| | Tools and plant .. .. .. | ·76 | ·75 | ·89 | ·86 |
| | Total .. | 40·00 | 39·85 | 38·82 | 39·50 |

### Public Works Establishments and Tools and Plant Charges.

638. The whole of the establishment and tools and plant charges of the Public Works Department is initially booked under the appropriate minor heads under 50. Civil Works. As these establishments are joint establishments for the execution of works falling under several heads of account (Irrigation, Capital Account of Civil Works outside the Revenue Account, etc.), the actual expenditure on establishment charges is distributed after the close of the financial year amongst the various accounts which record the expenditure incurred by the department in proportion to the works expenditure under each head concerned. Any special establishment which is wholly employed on a work is, however, entirely charged to that work and is not included in these *pro rata* calculations.

The same procedure applies also to the charges on account of ordinary tools and plant used in the Public Works Department, but the cost of tools, plant or machinery obtained to meet the special requirements of a particular work or project is treated as a direct charge to the work or project concerned.

It follows that the actual establishment and tools and plant charges finally adjusted under the head 50. Civil Works will be only part of the gross expenditure incurred. For the purpose of the grants, however, the gross charges, deducting only the percentage recoveries on account of work done for the Central Government, local bodies and others, are included in a single grant. The expenditure on "Establishment for Communications," which is also included in this grant is not taken into account in the *pro rata* distribution.

639. *Establishment.*—The expenditure relating to Chief Engineers, Government Architects, the Electrical Engineer, Superintending and Executive Engineers and their establishments, and Establishment for Communications is debited to this minor head.

640. *Charges in England.*—Under this head is debited the expenditure in England on leave salaries, sterling overseas pay, recruitment, etc.

641. *Loss or gain by exchange.*—This is explained in paragraph 689.

642. *Tools and plant.*—The expenditure on repairs and purchase of tools, plant and machinery, including road-rollers, and on transporting them to and from the places where they are to be used, is debited to this minor head.

### Explanation of variations.

381–383 643. *Establishment.*—The decrease in the revised estimate is mainly due to changes in personnel and larger recoveries (which are adjusted in reduction of expenditure) from local bodies as centage charges for the execution and supervision of their water-supply and drainage schemes by the Public Works Department and from the Minor Ports Fund for the supervision of the Marine division for a portion of the year 1940–1941 when it was under the control of the Chief Engineer, Public Works Department. The increase in the budget estimate is chiefly due to provision newly made for the Superintending Engineers (Communications) and their staff and to the provision made for the following new items of expenditure :—

(1) Employment of staff for the investigation of drains in the Kistna Western Delta.

(2) Employment of special Public Works staff for Tank Restoration Scheme work in the Ceded districts.

(3) Employment of staff for the remodelling of channels in the Kistna Western Delta.

(4) Fixation of starting pay of temporary Public Works Department supervisors on confirmation.

(5) Employment of additional staff for the Electrical Engineer.

Reference to pages in the Detailed Annual Estimate of Expenditure.

644. *Charges in England.*—The figures under this head are based on the leave programme of officers. 383

645. *Tools and plant.*—Based on the latest requirements, including an expenditure of Rs. 1,000 in 1941–1942 on the new scheme relating to the Tank Restoration work in the Ceded districts. 384

## Grant XXVI—Civil Works—Grants-in-aid.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 50. Civil Works—Grants-in-aid .. .. .. .. .. | 68·82 | 75·44 | 81·74 | 97·94 | 387–388 |

*Expenditure.*

646. Grants to local bodies for maintenance, special repairs, construction, reconstruction and improved surfacing of roads and for similar expenditure on bridges and culverts under their control and for capital expenditure on such of their water-supply and drainage schemes as are entrusted to the Public Works Department for execution are debited to this head. The grants fall in the following categories :—

I. *Recurring grants for maintenance of roads and bridges*—

(1) *Trunk roads.*—The Madras Corporation is eligible for a fixed grant of ·20 lakh per annum. Mufassal municipalities and district boards are eligible for the actual amount spent by them subject to an upper limit calculated on the mileage of trunk roads under their control at mileage rates fixed with reference to the general volume of traffic thereon, provided the superintending engineer concerned certifies that the roads have been maintained properly. The maximum amount of the annual grants on the basis of the existing mileage of trunk roads is about 19·36 lakhs.

(2) *Important marketing roads.*—Only district boards are eligible for maintenance grants for these roads. The maximum admissible for each board is a fixed amount, which is subject to a reduction equal to the average annual cost of a district board engineer when an additional engineer paid from Provincial funds is sanctioned for any board. The grants are paid subject to the condition that the district board spends an equal amount from its own funds either on these roads or on second-class roads and subject to the further condition that the Collector of the district concerned certifies that the roads have been maintained properly. The total amount of the grants is at present 14·80 lakhs.

(3) *Other roads.*—The Nilgiris, Vizagapatam and Madura District Boards, the Madras Corporation and the Saidapet, Kodaikanal, Coonoor, Ootacamund Municipalities and the Orissa Government are given fixed amounts for the maintenance of specific roads. The total amount of such grants is ·39 lakh.

II. *Non-recurring grants for special repairs, improvement, construction or reconstruction of roads, bridges and culverts on trunk and important marketing and second-class roads and improved surfacing of roads.*—Local bodies are eligible for grants from Provincial revenues as follows :—

(1) full grants for repair of flood and cyclone damages and new works on trunk roads ;

(2) grants equal to half the expenditure for such objects on important marketing and second-class roads in district board areas ;

(3) full grants for special repairs of trunk and important marketing roads subject to the condition that local bodies do not reduce their usual maintenance expenditure on the roads concerned ; and

(4) full or half grants for improved surfacing of roads.

In special cases when, owing to the contraction of agricultural labour as a result of failure of rains, it is found necessary to take up works for the relief of unemployment and the Government do not consider it necessary to open Government works, district boards are permitted to take up road works towards the cost of which the Government give grants based on the financial position of the district boards concerned. Such expenditure may, if the Government so decide, be financed from the Famine Relief Fund, an equal amount being transferred from the Fund and adjusted in reduction of expenditure under this head.

III. *Grants for village communications.*—Local bodies are eligible for grants from Provincial revenues ordinarily equal to half the expenditure incurred on the improvement or construction of village communications.

IV. *Grants from the Central Road Fund.*—Subject to the specific approval of each item by the Central Government, grants may be given by the Madras Government from their share of this Fund (which is credited on receipt to the deposit head Subventions from the Central Road Fund) for the following objects :—

(1) construction of new roads and bridges of any sort ;

(2) reconstruction or substantial improvement of existing roads and bridges ; and

(3) in special cases, maintenance of roads and bridges constructed, reconstructed or substantially improved from the Central Road Fund.

Grants given for these objects are debited to this head, and corresponding amounts are credited at the same time to the head XXXIX. Civil Works—Transfer from Central Road Fund by debit to the deposit head.

V. *Water-supply and drainage schemes.*—Local bodies are ordinarily eligible for grants equal to half the capital outlay on protected water-supply and drainage schemes in their areas. If the works are executed by the local bodies themselves, the grants are debited to the head 39. Public Health—Grants for Public Health purposes. If they are executed by the Public Works Department on their behalf, the grants are debited to the present head 50. Civil Works—Grants-in-aid.

### Explanation of variations.

647. The increase in the revised estimate is chiefly due to—

388 (i) additional expenditure of Rs. 1·75 lakhs by way of grants to local bodies for flood repairs ;

388 (ii) the provision of Rs. 1·48 lakhs for a grant to the Madras Corporation for the Poondi Reservoir scheme not originally provided for in the budget, 1940–1941 ; and

388 (iii) savings in the grant for water-supply and drainage schemes not materializing to the full extent provided in the budget.

The budget estimate for 1941–1942 provides Rs. 8·86 lakhs on new items of expenditure relating to the strengthening of weak bridges and culverts on trunk roads and on improved surfacing of roads. It also provides Rs. 7·41 lakhs (net) for a grant to the Madras Corporation for the Poondi Reservoir scheme and for a larger grant for village communications and for works financed from the Central Road Fund on account of the appointment of the Superintending Engineers (Communications) to expedite the programme of works.

The water-supply and drainage schemes, grants for which have been provided under this head are—

| Works. | Lakhs. |
|---|---|
| Madras Corporation—Poondi Reservoir scheme | 9·88 |
| Bodinayakkanur water-supply | ·75 |
| Calicut water-supply | 2·82 |
| Coimbatore drainage | 2·08 |
| Mettupalaiyam water-supply | ·43 |
| Negapatam drainage | ·97 |
| Peddapuram water-supply | ·02 |
| Pollachi water-supply | ·24 |
| Salem-Mettur water-supply | 5·79 |
| Srirangam water-supply | ·07 |
| Srirangam drainage | ·37 |
| Wallajah water-supply | ·25 |
| Guntur water-supply | ·30 |
| Sivaganga water-supply | ·22 |
| Cocanada water-supply | ·50 |
| Cochin water-supply | 1·17 |
| Kumbakonam water-supply | ·33 |
| Arantangi water-supply | ·52 |
| Saidapet water-supply | ·04 |
| Kodaikanal water-supply | ·08 |
| Total (gross) | 26·83 |
| *Deduct*—Probable savings | — 6·86 |
| Total (net) | 19·97 |

Reference to pages in the Detailed Annual Estimates of Expenditure.

The road and other works financed from the Central Road Fund are—

| | — | Amount of grant. | Grant already disbursed or expected to be disbursed to end of 1940–1941. | Provision in 1941–1942. | Balance of grant to be disbursed in subsequent years. |
|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) |
| | *Anantapur District Board.* | | | | |
| 1 | Constructing a bridge across the Pennar near Tadpatri .. .. .. | 3·00 | ·50 | 2·00 | ·50 |
| 2 | Forming a road from Gulapalayam to Kamalapad .. .. .. | ·05 | ·02 | ·03 | .. |
| 3 | Forming a road from Kallur Railway station to Kallur, Illur, Kallumadi and Tarimela .. .. .. | ·15 | ·02 | ·10 | ·03 |
| 4 | Forming a road from Garladinne to Aravakur .. .. .. | ·22 | ·04 | ·12 | ·06 |
| 5 | Forming Pathakothacheruvu road .. | ·02 | .. | ·02 | |
| | *North Arcot District Board.* | | | | |
| | Special improvements to Tiruvalam-Katpadi road .. .. .. | 1·13 | ·64 | ·49 | |
| 7 | Improving Chengam-Pudupalayam road. | ·24 | ·15 | ·06 | ·03 |
| | *South Arcot District Board.* | | | | |
| 8 | Forming railway feeder road from Adichanur Railway station to Veerapandi road .. .. .. .. | ·07 | ·07 | (*a*) | .. |
| 9 | Metalling Puthur road .. .. | ·40 | ·30 | ·10 | .. |
| 10 | Bridge across the Vettuvoikal at mile 5 of Mannargudi-Kandamangalam road. | ·10 | ·02 | ·08 | .. |
| | *Bellary District Board.* | | | | |
| 11 | Construction of a bridge over a tributary of the Tungabadra river at Desanur on the road from Siruguppa to Desanur .. .. .. | ·50 | ·36 | ·14 | ... |
| 12 | Forming Kachapuram-Monchala road .. | ·26 | ·11 | ·10 | ·05 |
| | *Chittoor District Board.* | | | | |
| 13 | Bridge across the Pinchanadi at mile 37/3 of Chittoor-Kurnool trunk road.. | ·60 | ·27 | ·33 | .. |
| 14 | Forming railway feeder road from Chandragiri to Bhakarapet (11 miles). | ·15 | ·10 | ·05 | .. |
| | *Coimbatore District Board.* | | | | |
| 15 | Bridge across the Pallam at mile 16/6–7 of Satyamangalam-Bhavani road .. | ·24 | ·23 | ·01 | .. |
| 16 | Formation of a pakka road from Hassanur to Bailur .. .. .. | 2·00 | 1·52 | ·48 | .. |
| | *Cuddapah District Board.* | | | | |
| 17 | Forming railway feeder road from Anantarajupet Railway station to Yerraguntlakota .. .. | ·38 | ·20 | ·18 | .. |
| | *East Godavari District Board.* | | | | |
| 18 | Bridge across the Cororiga canal at mile 5/8 of Mandapeta-Kapaleswarapuram road .. .. .. .. | ·30 | ·12 | ·18 | .. |
| 19 | Diversion to the road from Penuguduru bridge to Narasapurapeta from mile 9/1 to mile 9/3 (Ramachandrapuram section) .. .. .. .. | ·06 | ·05 | ·01 | .. |

(*a*) The amount being less than Rs. 500 has not been shown.

Reference to pages in the Detailed Annual Estimates of Expenditure.



| | (1) | Amount of grant. (2) | Grant already disbursed or expected to be disbursed to end of 1940–1941. (3) | Provision in 1941–1942. (4) | Balance of grant to be disbursed in subsequent years. (5) |
|---|---|---|---|---|---|
| | *West Godavari District Board.* | | | | |
| 20 | Culvert across the Modavaram channel at mile 6/2 of Bhimavaram-Yelurpadu road .. .. .. .. | ·02 | ·01 | ·01 | .. |
| 21 | Constructing a skew culvert of one vent of 4′–6″ span across Vissacoderu channel at mile 15/3 of Narsapur-Bhimavaram road .. .. | ·02 | ·01 | ·01 | .. |
| 22 | Constructing a culvert of two vents of 9′–2″ span each over Muthumoodu Channel at mile 11/7-8 of Narsapur-Bhimavaram road .. .. | ·04 | ·03 | ·01 | .. |
| 23 | Forming railway feeder road from Vendra railway station to Vendra village .. .. .. .. | ·75 | ·28 | ·30 | ·17 |
| 24 | Forming Aravalli railway feeder road joining Manchili-Penumantra Veeravasaram road .. .. .. | ·06 | ·03 | ·02 | ·01 |
| 25 | Metalling Narsapur-Bhimavaram road from 6/4-330 to mile 10/0 .. .. | ·30 | ·15 | ·15 | .. |
| 26 | Forming a road from Chintalapudi to Allipalli .. .. .. .. | ·19 | ·10 | ·09 | .. |
| 27 | Constructing a bridge across the Nakkala drain at mile 6/4 of Palacole-Achanta road .. .. .. .. | ·29 | ·03 | ·10 | ·16 |
| 28 | Bridge over the Gostanadi and Velpur canals at mile 1/3 of Narsapur-Bhimavaram road or at mile 16/8 of Narsapur-Bhimavaram road (new mileage). | ·31 | ·31 | (a) | .. |
| | *Guntur District Board.* | | | | |
| 29 | Bridge over Kommamur canal at mile 9/6 of Bapatla-Pedanandipadu road .. | ·35 | ·28 | ·07 | .. |
| 30 | Bridge across bank canal at mile 1/7 of Repalle-Penumudi road .. .. | ·16 | ·10 | ·06 | .. |
| 31 | Culverts and bridges across various irrigation channels and drains from mile 0/6 of Dhulpudi-Palicona road to Rambettapalem .. .. .. | ·35 | ·24 | ·11 | .. |
| 32 | Culverts and bridges across various irrigation channels and drains on Emani-Vallabhapuram road .. .. | ·03 | ·03 | (a) | .. |
| 33 | Culverts and bridges across various irrigation channels and drains on the road from Tenali-Kollur road to meet Anantavaram .. .. .. | ·05 | ·02 | ·03 | .. |
| 34 | Culverts and bridges across various irrigation channels and drains from Tsundur to Pedagadelavarru .. | ·10 | ·07 | ·03 | .. |
| | *South Kanara District Board.* | | | | |
| 35 | Constructing Halady bridge in 17/5 of Someshwar-Koteshwar road .. | ·17 | ·13 | ·04 | .. |

(a) The amount being less than Rs. 500 has not been shown.

| (1) | | Amount of grant. (2) | Grant already disbursed or expected to be disbursed to end of 1940–1941. (3) | Provision in 1941–1942. (4) | Balance of grant to be disbursed in subsequent years. (5) | Reference to pages in the Detailed Annual Estimates of Expenditure. |
|---|---|---|---|---|---|---|
| | *Malabar District Board.* | | | | | |
| 36 | Bridge across Tirur river on Poora-paramba-Tirur road .. .. | ·25 | ·05 | ·20 | .. | |
| 37 | Bridge over the Parapuzha river at mile 36/7 of Chattukulam-Kandanthodu road .. .. .. .. | ·27 | ·07 | ·20 | .. | |
| 38 | Bridge over the Kandanthodu river at mile 37/7 of Chattukulam Kandan-thodu road .. .. .. | ·13 | ·03 | ·10 | .. | |
| 39 | Comprehensive improvements to road No. A. 4-section VIII (Mongam to Kuttilangady) .. .. .. | 1·88 | 1·48 | ·15 | ·25 | |
| | *Nellore District Board.* | | | | | |
| 40 | Metalling Annareddipalem branch road-$1\frac{1}{4}$ miles .. .. .. .. | ·04 | .. | ·04 | .. | |
| | *Ramnad District Board.* | | | | | |
| 41 | Constructing a bridge at mile 6/4 of Periyur-Kamuthy road (new mileage 1/6) .. .. .. .. | ·25 | ·10 | ·15 | .. | |
| | *Salem District Board.* | | | | | |
| 42 | Constructing a bridge across the Pambar at mile 58/8 of road No. 2 (V), Salem-Tiruppattur road .. .. | ·21 | ·03 | ·10 | ·08 | |
| 43 | Constructing a causeway over Tandava-rayapuram river at mile 31/5 of Attur-Trichinopoly road .. .. | ·11 | ·02 | ·07 | ·02 | |
| 44 | Constructing a bridge across the Tirumanimuthar at mile 12/1 of Rasi-pur-Tiruchengode road .. .. | ·12 | ·03 | ·06 | ·03 | |
| 45 | Constructing a causeway across the Tirumanimuthar at mile 10/6 of Road No. 105 (1) Namakkal-Paramathi road. | ·15 | ·03 | ·06 | ·06 | |
| 46 | Culvert over jungle stream at mile 10/8 of Namakkal-Velur road .. .. | ·02 | ·01 | ·01 | .. | |
| 47 | Constructing a bridge across the Kattar at mile 7/4 of Mallapuram-Mookanur road .. .. .. .. | ·11 | ·03 | ·08 | .. | |
| 48 | Bridge over Mohanurpattu river at mile 6/6 of Tiruppattur-Singarapettai road. | ·15 | ·03 | ·06 | ·06 | |
| | *Tanjore District Board.* | | | | | |
| 49 | Improvements to Orattanad-Vaduvur road .. .. .. .. | ·04 | ·04 | (a) | .. | |
| 50 | Improvements to Madukur-Peravalandan road .. .. .. .. | ·13 | ·07 | ·06 | .. | |
| 51 | Improvements to Orattanad-Tiruvonam road .. .. .. .. | ·15 | ·07 | ·08 | .. | |
| 52 | Forming a road from Merpanaigadu to Nagaram .. .. .. | ·11 | ·03 | ·04 | ·04 | |

(a) The amount being less than Rs. 500 has not been shown.

| Reference to pages in the Detailed Annual Estimates of Expenditure. | (1) | Amount of grant. (2) | Grant already disbursed or expected to be disbursed to end of 1940–1941. (3) | Provision in 1941–1942. (4) | Balance of grant to be disbursed in subsequent years. (5) |
|---|---|---|---|---|---|
| | *Tanjore District Board*—cont. | | | | |
| | 53 Forming a road from Karuvikarambai to Seruvalakkadu .. .. | ·08 | ·03 | ·02 | ·03 |
| | 54 Forming a road from Avadayarkoil to Kottaipatnam .. .. .. | ·37 | ·15 | ·05 | ·17 |
| | 55 Forming a road from Kanur to Tirupona-vasal .. .. .. .. | ·35 | ·15 | ·05 | ·15 |
| | 56 Extending road No. 78 to meet road No. 54 crossing road No. 53 .. | ·24 | ·19 | ·02 | ·03 |
| | 57 Extending road from Vattagudi to 9 B .. | ·05 | ·03 | ·02 | .. |
| | 58 Forming railway feeder road from road No. 2 to Kovilvanni railway station. | ·02 | ·02 | (*a*) | .. |
| | 59 Forming railway feeder road from Muthupet-Pattukkottai road to Sundaram railway station .. .. | ·03 | ·01 | ·02 | .. |
| | 60 Bridge across the Kaduvayar on Negapatam-Vadakkupoyyur road .. | ·50 | ·26 | ·05 | ·19 |
| | 61 Bridge across Nattar and Kirtimanar on road No. 83, Tiruneelakudi to Kodavasal .. .. .. .. | ·33 | ·20 | ·05 | ·08 |
| | 62 Constructing a bridge across Vikramanar in Kalayanasholapuram road, Kuttalam to Attur (via) Kali .. .. | ·10 | ·09 | ·01 | .. |
| | 63 Construction of a bridge over Solachudamaniyur and Velappar rivers on Manakkal-Srivanjayam road .. | ·06 | ·04 | ·02 | .. |
| | *Tinnevelly District Board.* | | | | |
| | 64 Forming railway feeder road from Mettur railway station to join the adjacent main road.. .. .. | ·06 | ·04 | ·02 | .. |
| | 65 Forming railway feeder road from Ilavelangal railway station to Ilavelangal village .. .. .. | ·05 | ·04 | ·01 | .. |
| | 66 Forming railway feeder road from Ottanatham village to Maniyachi railway station . .. .. | ·08 | ·07 | ·01 | .. |
| | 67 Bridge over the Nambiyar at miles 4/8 and 7/8 of Nanguneri-Tirukkurangudi road .. .. .. .. | ·40 | ·20 | ·20 | .. |
| | 68 Forming railway feeder road from Kachanavilai railway station to Nalumavady .. .. .. | ·09 | ·06 | ·03 | .. |
| | 69 Forming railway feeder road from Nainanagaram railway station to Surandai (via) Sambur Vadagarai .. | ·15 | ·06 | ·09 | .. |
| | 70 Constructing a bridge across the Chittar and vented road dam across Hanumanadhi on Pavur Chatram-Surandai road .. .. .. .. | ·50 | ·20 | ·30 | .. |

(*a*) The amount being less than Rs. 500 has not been shown.

Reference to pa[...] in the Detaile[...] Annual Estima[...] of Expenditur[...]

| | — | Amount of grant. | Grant already disbursed or expected to be disbursed to end of 1940–1941. | Provision in 1941–1942. | Balance of grant to be disbursed in subsequent years. |
|---|---|---|---|---|---|
| | (1) | (2) | (3) | (4) | (5) |
| | *Trichinopoly District Board.* | | | | |
| 71 | Culverts over various minor irrigation drains from miles 2/6 to 10/4 of Pullambady-Tirumalavady road .. | ·10 | ·08 | ·02 | .. |
| 72 | 13 culverts over drainage between miles 2 and 16 of Karur-Dindigul road (via) Aravakurichi .. .. | ·16 | ·10 | ·06 | .. |
| 73 | 9 culverts over drainages at miles 5/2 7/2, 8/8, 13/1, 10/3, 12/1, 14/3, 14/8 and 16/2 of Karur-Dharapuram road .. .. .. .. | ·20 | ·10 | ·10 | .. |
| 74 | Improvements to the existing cart-track from Pattavaithalai to Inungur up to High Level Channel .. .. | ·02 | ·01 | ·01 | .. |
| 75 | Improvements to road from Nangavaram to Panayur, including improvements to existing road, construction of causeways and culverts .. .. .. | ·20 | ·10 | ·05 | ·05 |
| | *Vizagapatam District Board.* | | | | |
| 76 | Constructing submersible bridge over Champavathi river at Nathavalasa in mile 87/3–5 of the G.N.T. Road .. | 2·98 | ·96 | 1·30 | ·72 |
| | *Karur Municipality.* | | | | |
| 77 | Diversions of the trunk road outside the bazar portion .. .. .. | ·22 | ·17 | ·05 | .. |
| | **Total—Works in progress ..** | **24·52** | **12·02** | **9·53** | **2·97** |
| 78 | Lump sum for works newly sanctioned .. | 70·37 | 2·59 | 19·59 | 48·19 |
| 79 | Lump sum for new works to be sanctioned .. .. .. .. | 10·00 | .. | 10·00 | .. |
| | *Deduct*—Probable carry over .. | .. | .. | — 9·78 | 9·78 |
| | **Total ..** | **104·89** | **14·61** | **29·34 +·01 } 29·35 (b)** | **60·94 —·01 } 60·93 (c)** |

In addition, a provision of Rs. 0·67 lakh has been included under Grant XXIV—50. Civil Works—Communications for works to be executed by the Public Works Department—*vide* paragraph 634.

## Electricity.

648. The principles regulating the classification of expenditure in the Electricity Department are generally the same as those in respect of the expenditure of the Irrigation Department, as summarized in paragraphs 340 to 342.

The expenditure relating to the Electricity Department which is financed from current revenues is included in Grant XXVII—Electricity, whilst that which is financed from other sources is included in Grant XXXV—Capital Outlay on Electricity Schemes.

(*b*) Includes and (*c*) excludes the provision for the five works mentioned at (*a*).

Reference to pages in the Detailed Annual Estimate of Expenditure. 389–408



## Grant XXVII—Electricity.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| XLI. Receipts from electricity schemes— Working Expenses— | | | | |
| Pykara hydro-electric scheme .. .. | 23·23 | 13·49 | 14·85 | 17·12 |
| Mettur hydro-electric scheme .. .. | 12·56 | 4·24 | 7·38 | 3·98 |
| Vizagapatam scheme .. .. .. | 1·26 | 1·26 | 1·38 | 1·50 |
| Bezwada scheme .. .. .. | 3·81 | 2·58 | 2·65 | 1·17 |
| Cocanada scheme .. .. .. | .. | ·60 | ·22 | ·97 |
| **Total ..** | **40·86** | **22·17** | **26·48** | **24·74** |
| 52. Interest on Capital Outlay on Electricity schemes .. .. .. .. | **22·61** | **26·07** | **25·88** | **29·56** |
| 52-A. Other Revenue Expenditure connected with Electricity schemes— | | | | |
| Establishment charges .. .. .. | — ·44 | — ·18 | — ·02 | — ·38 |
| Miscellaneous expenditure (including surveys) .. .. .. .. | ·45 | ·28 | ·44 | ·22 |
| Charges in England .. .. .. | ·02 | ·22 | ·03 | ·35 |
| **Total ..** | **·03** | **·32** | **·45** | **·19** |
| 53. Capital outlay on Electricity schemes met out of Revenue— Amount transferred from 81-A. Capital outlay on electricity schemes .. .. | .. | .. | 30·00 | 45·00 |
| **Grand Total ..** | **63·50** | **48·56** | **82·81** | **99·49** |

*Expenditure.*

### XLI. Receipts from Electricity Schemes—Working Expenses.

649. As in the case of irrigation works, the working expenses of electricity schemes in operation are adjusted in reduction of the gross receipts, but they have to be included in a grant, since they are part of the expenditure from the revenues of the Province. Separate accounts of gross receipts and working expenses are maintained in respect of each main scheme. The working expenses are accounted for under the following heads :—

Works expenditure financed from ordinary revenues.
Maintenance proper.
Provision for depreciation including transfers to and from the depreciation and special reserve funds established for each system.
Establishments.
Tools and plant.
Suspense.
Charges in England.

650. *Works expenditure financed from ordinary revenues.*—The cost of improvements and additions not chargeable to capital and the write-off of the capital value of replaced stock after taking the salvage value into account are shown under this head.

651. *Maintenance proper.*—Under this head are shown the maintenance and miscellaneous expenses including the cost of the establishment charged to the work, the annual contribution to the Electrical Research Association, London, on the basis of receipts, and recoveries from municipalities for managing their electrical undertakings and from other departments of Government for work done for them which are taken in reduction of expenditure.

652. *Provision for depreciation.*—The provision for the annual contribution to the depreciation and special reserve funds is made under this head (see paragraph 18) as also for renewals and replacements financed from these funds, the amounts transferred from the latter being adjusted in reduction of expenditure under this head.

Reference to pages in the Detailed Annual Estimate of Expenditure.

653. *Establishments.*—Under this head are shown the pay and allowances of the establishments employed for working the schemes.

654. *Suspense.*—This minor head is intended to cover transactions relating to stock, London stores, advances to cover the cost of electrical appliances to power consumers, and the recoveries effected from them which are taken in reduction of expenditure.

655. *Charges in England.*—The leave salaries and sterling overseas pay drawn in England are debited to this minor head.

52. Interest on Capital Outlay on Electricity Schemes.

656. The object of this debit is explained in paragraph 378.

52-A. Other Revenue Expenditure connected with Electricity Schemes.

657. *Establishment Charges.*—The expenditure on account of the Chief Engineer for Electricity and other headquarters supervising staff and on account of the pay and allowances of special staffs employed for investigation of new projects is debited initially to this minor head and is subsequently transferred to other heads and schemes (inclusive of municipal schemes executed by the Electricity Department) in varying percentages in proportion to the services rendered to each. Such recoveries are adjusted in reduction of expenditure under this minor head and consequently the final effect is generally a credit under this minor head instead of a debit.

658. *Miscellaneous expenditure (including surveys).*—The cost of survey apparatus and materials and expenditure on contingencies including customs duty on stores, advertisement charges, cost of prints for specification and grid maps are debited to this head. The expenditure incurred on field work connected with the investigation of new electricity projects, except for the pay and allowances of the staff, is also debited to this minor head. Expenditure on the investigation by the Electricity Department of electrically-controlled irrigation and other works is, however, debited to the head 18. Irrigation—Miscellaneous expenditure.

659. *Charges in England.*—Expenditure on leave salaries and deputation pay and on the purchase of stores in England is debited to this minor head.

53. Capital Outlay on Electricity Schemes met out of Revenue.

660. *Amount transferred from 81-A Capital Outlay on Electricity Schemes.*—The expenditure on capital outlay on electricity schemes is shown under the major head 81-A. Capital outlay on electricity schemes included under grant XXXV. Such portion of the capital outlay as the Government may decide to finance from current revenues in any year is transferred from the capital to the revenue section of the accounts and shown under this head.

Explanation of variations.

XLI. Receipts from Electricity Schemes—Working Expenses.

661. *Pykara hydro-electric scheme.*—The revised estimate for 1940–1941 allows for the adjustment of the cost of power purchased from Mettur for the Pykara system, for an increase in operation and maintenance expenses owing to the expansion of the system and for increased debit under suspense due partly to the issue of materials from stock to works being less than anticipated and partly to an increase in the amount advanced to agriculturists for the purchase of transformers and motor equipment on the hire purchase system. The increase in the budget estimate for 1941–1942 is due partly to an increase in the contribution to the depreciation and special reserve funds owing to the progressive increase in the capital cost of the electrical works in respect of which the provision is made, and partly to the recovery of the cost of materials issued from stock to power consumers being less than in the current year. 390–391 and 399–401

662. *Mettur hydro-electric scheme.*—The increase in the revised estimate for 1940–1941 is due chiefly to the large quantities of surplus materials originally charged to works being devoluted to stock during the year and to the receipt of electrical stock materials intended to be issued to licensees. The budget estimate for 1941–1942 allows for normal requirements and also takes credit for the recovery of the cost of materials supplied to licensees and municipalities. 391–393 and 402–403

Reference to pages in the Detailed Annual Estimate of Expenditure.

394–404 663. *Vizagapatam scheme.*—The increase in the revised estimate for 1940–1941 is due chiefly to an increase in the cost of coal on account of the war. The budget estimate for 1941–1942 allows for additional expenditure on coal consumption to cope with the increase in the demand for power.

395–405 664. *Bezwada scheme.*—The decrease in the budget estimate for 1941–1942 is due to the adjustment of the cost of materials supplied from stock for the West Godavari electrification scheme.

396–406 665. *Cocanada scheme.*—The decrease in the revised estimate for 1940–1941 is due to the Cocanada thermal station not being worked to its full capacity owing to the delay in the execution of the distribution schemes. The budget estimate for 1941–1942 provides for the full operation of the scheme including distribution schemes.

52. Interest on Capital Outlay on Electricity Schemes.

397 666. The variations in the figures are explained in paragraph 386.

52-A. Other Revenue Expenditure Connected with Electricity Schemes.

407–408 667. *Establishment charges.*—The revised estimate for 1940–1941 includes a full year's provision for the pay of the Consulting Engineer to Government, owing to the extension of the term of his appointment. The increase is partly offset by larger recoveries from capital works. The budget estimate for 1941–1942 includes no provision for the pay of the Consulting Engineer.

408 668. *Miscellaneous expenditure (including surveys).*—The revised estimate for 1940–1941 includes expenditure connected with the Periyar arbitration. The budget estimate for 1941–1942 provides for normal requirements.

398 669. *Charges in England.*—The provision made in the budget estimate for 1940–1941 for the leave salary of the Consulting Engineer was not utilized. The budget estimate for 1941–1942 provides for his leave salary.

53. Capital Outlay on Electricity Schemes met out of Revenue.

398 670. *Amount transferred from 81-A. Capital Outlay on electricity schemes.*—The estimates provide for the proposed transfer to the revenue account of a portion of the capital outlay on electricity schemes amounting to Rs. 30 lakhs in 1940–1941 and Rs. 45 lakhs in 1941–1942.

409–410

## Grant XXVIII—Famine.

| | Accounts, 1939–1940. | Budget, Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 54. Famine— | | | | |
| Famine Relief— | | | | |
| Salaries and establishments .. .. | 1·23 | ·10 | ·02 | ·10 |
| Relief works .. .. .. .. | 14·71 | ·50 | ·02 | ·50 |
| Gratuitous relief .. .. .. | 1·04 | ·10 | .. | ·10 |
| Miscellaneous .. .. .. | ·66 | ·30 | ·15 | ·30 |
| Charges in England .. .. .. | 01 | .. | .. | .. |
| **Total** .. | **17·65** | **1·00** | **·19** | **1·00** |
| *Deduct*—Amount transferred from Famine Relief Fund .. .. .. | .. | .. | .. | .. |
| **Total** .. | **17·65** | **1·00** | **·19** | **1·00** |
| Transfers to Famine Relief Fund .. | .. | 5·00 | .. | .. |
| **Grand Total** .. | **17·65** | **6·00** | **·19** | **1·00** |

*Expenditure.*

The major head 54. Famine is divided into two sub-major heads, namely :—

Famine Relief, and

Transfers to Famine Relief Fund.

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Famine Relief.

671. Famine for purposes of debit of expenditure to this head covers distress due to drought and other natural causes, such as floods, cyclones, fires, epidemics, earthquakes and similar calamities.

All expenditure incurred directly by the Government for the relief of distress, both during the period of observation and test and after the formal recognition of famine is debited to the appropriate minor heads in this section. Indirect expenditure, e.g., on an increase of the police force, medical aid, compensation to Government servants for dearness of provisions, grants to district boards for road works to relieve unemployment, etc., is debited to the appropriate service heads concerned and not to the head Famine Relief.

672. *Salaries and establishments.*—The pay, allowances and contingent expenditure of Government servants employed on famine relief for whom substitutes are appointed for the performance of their regular work and of special establishments entertained for famine relief and charges at 2 per cent on works outlay for supervision of the works by the higher officers of the Public Works Department are debited to this minor head.

673. *Relief works.*—Expenditure on all works undertaken by the Government directly for famine relief, and controlled and managed under the conditions applicable to test and relief works as laid down in the Madras Famine Code, is debited to this minor head, whether or not the work is one which at some time or other would have been undertaken irrespective of the occurrence of famine. But if the work is a revenue-producing one, in respect of which a capital account is kept, the value of the work done, reckoned at the ordinary rates, is charged to the ordinary head of account and the excess only is debited to this head. Similarly, public works undertaken in consequence of the occurrence of famine, but not conducted according to the conditions applicable to test and relief works, are treated as ordinary works and the cost is debited to the ordinary heads of account, except that any expenditure in excess of normal rates incurred in consequence of the employment, to afford relief, of unskilled and unprofitable labour is debited to this head.

674. *Gratuitous relief.*—Expenditure on gratuitous relief, i.e., relief given not as payment for work done but in kind or in money, at Government camps or other institutions, at the houses of the people and elsewhere is debited to this minor head.

675. *Miscellaneous.*—To this minor head is debited the expenditure on advances made in connexion with relief work subject to later adjustment, on measures taken for the protection of cattle during famine, e.g., purchase and distribution of fodder or purchase and maintenance of cattle to prevent good breeds dying out, etc., on the payment of compensation to railway companies in respect of the difference between ordinary and concessional rates of freight on fodder transported to areas suffering from fodder famine irrespective of the existence of general famine and on grants distributed to sufferers from general or sporadic floods, cyclones, fire, epidemics, earthquakes, etc. All other expenditure on the relief of distress which is not debitable to any other specific minor head, such as the case of measures for the relief of weavers and the like, is also debited to this head.

676. *Charges in England.*—The sterling overseas pay drawn by Government servants entitled to it and employed on famine relief is debited to this minor head.

677. *Deduct—Amount transferred from Famine Relief Fund.*—Any amount which the Government may decide to finance from the Famine Relief Fund in respect of the expenditure debited to the foregoing minor heads is adjusted in reduction of expenditure.

## Transfers to Famine Relief Fund.

678. The contributions to the Madras Famine Relief Fund from revenues prescribed in the Madras Famine Relief Fund Act are debited to this minor head—See paragraph 17.

## Explanation of variations.

679. *Famine Relief.*—The decrease in the revised estimate for 1940–1941 is due to the absence of famine conditions owing to timely rains. The budget estimate for 1941–1942 makes a small provision for a contingency arising on account of a locally unfavourable season or other calamity in an otherwise normal year. The actual expenditure will be met from current revenues. 409–410

Reference to pages in the Detailed Annual Estimate of Expenditure.

409 680. *Transfers to Famine Relief Fund.*—A provision of Rs. 5 lakhs was made in the budget to meet any possible deficiency in the balance of the Fund, due to a fall in the market value of securities. As the balance of the Fund was more than Rs. 60 lakhs, on 31st March 1940, the provision has not been and is not likely to be utilized. The budget estimate for 1941–1942 does not provide for any contribution to the Fund, as the balance in the Fund on 31st March 1941 is expected to be not less than Rs. 60 lakhs.

## Grant XXIX—Pensions.

411–413

| | Accounts, 1939-1940. | Budget Estimate, 1940-1941. | Revised Estimate, 1940-1941. | Budget Estimate, 1941-1942. |
|---|---|---|---|---|
| 55. Superannuation allowances and pensions— | | | | |
| Superannuation and retired allowances. | 79·41 | 83·50 | 83·80 | 88·25 |
| Equated payments of commuted value of pensions transferred from Capital (outside the revenue account) .. | 11·23 | 10·37 | 2·09 | .. |
| Compassionate allowances .. .. | ·39 | ·36 | ·42 | ·40 |
| Gratuities .. .. .. .. | ·70 | ·85 | ·76 | ·80 |
| Donations to provident funds .. | ·33 | ·38 | ·36 | ·36 |
| Government contribution payable under the Indian Civil Service Family Pension Rules .. .. | ·03 | ·02 | ·02 | ·02 |
| Covenanted Civil Service pensions (Annuities) .. .. .. | ·61 | ·54 | ·69 | ·69 |
| Concession grants in respect of past contributions to Annuities .. | .. | .. | ·01 | .. |
| Charges in England .. .. .. | 21·93 | 23·24 | 22·40 | 23·21 |
| Loss or gain by exchange .. .. | ·09 | .. | ·04 | .. |
| *Deduct*—Pensionary charges transferred to commercial departments. | — 1·99 | — 1·81 | — 1·88 | — 1·76 |
| **Total ..** | **112·73** | **117·45** | **108·71** | **111·97** |
| 55-A. Commutation of pensions financed from ordinary revenues— | | | | |
| Amount transferred from 83. Payments of commuted value of pensions .. .. .. .. .. | .. | .. | 1·21 | 1·25 |
| **Grand total ..** | **112·73** | **117·45** | **109·92** | **113·22** |

*Expenditure.*

681. *Superannuation and retired allowances.*—Under the rules governing the grant of pensions, pensions are awarded to officers who are entitled or compelled by rule to retire at a particular age, or who are permitted to retire after completing qualifying service for thirty years or such less time as may be prescribed for any special class of officers, or who, by bodily or mental infirmity, are permanently incapacitated for the public service or who are discharged on the abolition of posts due to reduction of establishment and for whom other suitable employment under the Government cannot be found. Such pensions are debited to this head.

682. *Compassionate allowances.*—Allowances granted to officers removed for misconduct, insolvency or inefficiency, and to officers wounded and to the families of officers killed in the discharge of their duties, are debited to this head.

683. *Gratuities.*—Under this head are shown the gratuities paid to Government servants retiring prematurely and those payable in exceptional circumstances to the indigent families of deceased Government servants.

Reference to pages in the Detailed Annual Estimate of Expenditure.

684. *Donations to provident funds.*—The contributions payable by the Government in respect of the provident fund accounts of non-pensionable employees of the Government or of local funds, such as Port and Marine funds, who are subscribers to the Contributory Provident Fund (Madras) are debited to this head. The contributions in respect of local fund employees are recovered from the funds and credited to XLIV. Receipts in aid of superannuation—Miscellaneous.

685. *Government contribution payable under the Indian Civil Service Family Pension Rules.*—Payments made in India on account of the Madras Government's share of the contribution to the Indian Civil Service Family Pension Scheme are debited to this head.

686. *Covenanted Civil Service pensions* (*Annuities*).—The annuities paid in India to retired officers of the Indian Civil Service are debited to this head.

687. *Concession grants in respect of past contributions to Annuities.*—Refunds of 4 per cent annuity deductions made from the pay of Indian Civil Service officers prior to the 1st April 1919 are shown under this head.

688. *Charges in England.*—All payments in England in respect of general pensions, annuities, compassionate allowances and gratuities, passage gratuities, pensions of military officers in respect of civil employment and Government contributions to the Indian Civil Service Family Pension Fund are debited to this head.

689. *Loss or gain by exchange.*—The transactions relating to the Provincial Government which take place in England are in sterling, but are represented in the budget and the accounts in India in terms of rupees converted at the statutory rate of £1 = Rs. 13–5–4 (i.e., 1*s*. 6*d*. per rupee). The real rupee equivalent of the sterling transactions in a calendar month is, however, calculated separately on the basis of the average of the daily Calcutta telegraphic transfer rates on London during the month. This equivalent will be less or more than the one at the statutory rate, according as the monthly average exchange rate is more or less than 1*s*. 6*d*. per rupee. The difference between the two equivalents is booked in the Indian accounts under the minor head 'Loss or gain by Exchange' under all major heads of revenue and expenditure from revenue in respect of which sterling transactions occur. When the actual rupee equivalent is more than the statutory equivalent, the excess is booked as a gain if it relates to receipts and as a loss if it relates to expenditure. If it is less, the procedure is reversed.

The effect of exchange on sterling transactions relating to superannuation allowances and pensions is booked under this head.

690. *Deduct—Pensionary charges transferred to commercial departments.*—The pensionary charges relating to the Irrigation and Electricity Departments are assessed every year at a percentage of the establishment charges in the year and are debited to the respective heads of account (viz., XVII. Irrigation—Working expenses, 19. Irrigation, 68. Irrigation, XLI. Receipts from electricity schemes—Working expenses and 81A. Capital outlay on electricity schemes). As the actual pensions paid to Government servants who had served in those departments are debited to the head 55. Superannuation allowances and pensions, a credit corresponding to the debits under the heads mentioned is given to this head.

691. *Equated payments of commuted value of pensions transferred from Capital* (*outside the revenue account*).—As explained in paragraph 757 *infra*, the net amount paid by way of commutation of pensions and debited under the head 83. Payments of commuted value of pensions is repaid from revenue either in a lump sum or by a system of equated payments, including interest on capital invested. The equated payments in respect of the amount paid by way of commutation in a year begin from the following year and are debited to this minor head.

### 55-A. *Commutation of pensions financed from ordinary Revenues.*

692. *Amount transferred from 83. Payments of commuted value of pensions.*—See paragraph 757.

### Explanation of variations.

693. *Superannuation allowances and pensions—Superannuation and retired allowances.*— The revised estimate for 1940–1941 is based on the progress of actuals, while the budget Estimate for 1941–1942 allows for normal growth in the pension list. 411

Reference to pages in the Detailed Annual Estimate of Expenditure.



411 694. *Equated payments of commuted value of pensions transferred from Capital (outside the revenue account).*—The budget estimate for 1940–1941 provided for the repayment of the entire balance (inclusive of interest) of the commuted value of pensions debited to Capital in 1938–1939. The amount was, however, adjusted in the accounts for 1939–1940. The revised estimate for 1940–1941 provides for the repayment (inclusive of interest) of the net expenditure debited to Capital in 1939–1940. *See* also paragraph 759.

412 695. *Covenanted Civil Service pensions—Annuities.*—The expenditure under this head varies with the number of retired officers of the Indian Civil Service drawing their annuities in India from time to time.

412 696. *Charges in England.*—The Revised Estimate for 1940–1941 is based on the progress of actuals in the current year and the Budget Estimate for 1941–1942 allows for normal growth of pensions paid in England.

413 697. *Loss or gain by exchange.*—As the average exchange rate in the current year is expected to be lower than the statutory rate (i.e., on the average less than 1*s.* 6*d.* per rupee), there will be a loss by exchange in the current year, which will be adjusted in the accounts as an item of expenditure. As usual, no allowance has been made in the budget for loss or gain by exchange in 1941–1942.

413 698. *Amount transferred from 83. Payments of commuted value of pensions.*—The estimates provide for payments from current revenues of the net expenditure on commutation of pensions in 1940–1941 and 1941–1942.

414–425

## Grant XXX—Stationery and Printing.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 56. Stationery and Printing— | | | | |
| Stationery— | | | | |
| Stationery office .. .. .. | ·80 | ·74 | ·79 | ·79 |
| Purchase of stationery stores .. | 8·34 | 10·62 | 16·29 | 8·92 |
| *Deduct*—Value of stationery supplied to other Governments and paying departments .. | — ·17 | — ·10 | — ·15 | — ·15 |
| Charges in England .. .. .. | ·53 | ·47 | 2·42 | ·30 |
| **Total** .. | **9·50** | **11·73** | **19·35** | **9·86** |
| Printing— | | | | |
| Government Presses .. .. .. | 10·37 | 10·56 | 10·71 | 11·00 |
| Printing at private presses .. | 1·26 | 1·18 | ·98 | 1·44 |
| Charges in England .. .. .. | ·90 | ·42 | ·82 | ·45 |
| **Total** .. | **12·53** | **12·16** | **12·51** | **12·89** |
| **Grand Total** .. | **22·03** | **23·89** | **31·86** | **22·75** |

*Expenditure.*

STATIONERY.

699. The expenditure shown in this section is that incurred by the Stationery Department on stationery, typewriters and other articles for distribution to departments of the Government of Madras and sale to departments of the Central Government, other Provincial Governments, local bodies and others.

700. *Stationery office.*—As explained in paragraph 309 three-quarters of the cost of the combined establishment for the Stamp and Stationery offices is debited to this head.

701. *Purchase of stationery stores.*—Under this minor head is shown the expenditure on the purchase of stationery stores, typewriters and other articles in India, and the customs duty on imported stores.

Reference to pages in the Detailed Annual Estimate of Expenditure.

702. *Deduct—Value of stationery supplied to other Governments and paying departments.*—Recoveries on account of the cost of stationery supplied by the Superintendent of Stationery from the Provincial Stationery Stores to other Governments, and to commercial and other paying departments, namely, the Irrigation and Electricity Departments, are shown as reduction of expenditure under this head.

703. *Charges in England.*—The expenditure incurred in England on the leave and other allowances of the Assistant Superintendent of Stationery, Madras, and on the purchase of paper and other stationery articles is debited to this head.

PRINTING.

704. *Government Presses.*—Under this minor head is shown the expenditure connected with the Government Press at Mint Buildings with its High Court section and the Penitentiary branch; the annual provision for the depreciation of the plant and machinery at the Government Presses and for renewals and replacements from the Government Press Depreciation Reserve Fund; the cost of stores required for the Government Presses purchased in India; the expenditure on the carriage of gazettes and forms; the cost of blocks and maps, and other charges, such as the expenditure on additions to plant and machinery and customs duty paid on imported stores and machinery for the presses.

705. *Printing at private presses.*—On account of pressure of work at the Government Presses or for other reasons, Government printing work is at times entrusted to private presses by or on the advice of the Superintendent, Government Press. Such work relates mostly to the Judicial, Police and Public Health Departments and electoral rolls of the Legislature and of local bodies.

706. *Charges in England.*—The expenditure incurred in England on leave salary of the officers employed in the Government Presses and on stores and machinery is debited to this head.

EXPLANATION OF VARIATIONS.

*Stationery.*

707. *Purchase of stationery stores and charges in England.*—The total expenditure on purchase of stationery stores both in India and England is as follows :— 414-41

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Stores purchased in India including customs duty on imported stores .. | 8·34 | 10·62 | 16·29 | 8·92 |
| Stores purchased in England included in the minor head "Charges in England." | ·46 | ·44 | 2·39 | ·27 |
| **Total ..** | **8·80** | **11·06** | **18·68** | **9·19** |

The large increase in the revised estimate is due to the rise in the price of paper and other stationery articles on account of the war and to the special purchase of stationery articles to provide a reserve stock. The budget estimate for 1941–1942 provides for the normal requirements of the year.

*Printing.*

708 *Government Presses.*—The increase in the revised estimate for 1940–1941 is due mainly to (i) the assessment of property tax on the remodelled Mint Buildings, (ii) larger expenditure on stores purchased in India owing to the rise in prices and (iii) payment of customs duty on English stores ordered in 1939–1940 but which were delivered only in the current year. The budget estimate for 1941–1942 includes provision for the employment of additional staff and for the purchase of additional racks for the forms section. 415-416 & 419-425

709. *Printing at private presses.*—The decrease in the revised estimate for 1940–1941 is due mainly to the lapse of the provision made for the revision of electoral rolls, partly offset by a small increase on account of the printing of war propaganda posters, etc. The budget estimate for 1941–1942 includes provision for the revision of electoral rolls and for the printing of coloured posters and posters in Indian languages for giving publicity to the activities of the Agricultural Department. 416

Reference to pages in the Detailed Annual Estimate of Expenditure.

417 710. *Charges in England.*—The increase in the revised estimate for 1940–1941 is due to the provision for the purchase of a Standard Diamond guillotine cutting machine and to the carry over of expenditure from 1939–1940 on stores which were not delivered in time for payment during last year. The budget estimate for 1941–1942 provides for normal requirements.

**Depreciation Reserve Fund—Government Presses.**

246-260

| | Accounts, 1939-1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. . | 13·72 | 13·69 | 13·87 | 14·69 |
| *Add*—Receipts .. .. | 1·51 | 1·42 | 1·42 | 1·37 |
| **Total ..** | **15·23** | **15·11** | **15·29** | **16·06** |
| *Deduct*—Outgoings .. .. | 1·36 | ·50 | ·60 | ·50 |
| Closing balance .. .. | **13·87** | **14·61** | **14·69** | **15·56** |

711. A Depreciation Reserve Fund has been constituted for the Government Press in respect of plant and machinery.

The receipts of the Depreciation Reserve Fund are the sale-proceeds of unserviceable plant and machinery and the annual provision for depreciation of existing plant and machinery at prescribed rates made from current revenues and debited to the head 56. Stationery and Printing—Government Presses—Other Expenditure. The cost of renewals and replacements is debited to the same head, but the debit is cancelled by a *per contra* credit by transfer of an equal amount from the Depreciation Reserve Fund. With effect from 1941–1942 the cost of English stores debitable to the Depreciation Fund will be shown directly under Charges in England and the debit cancelled by *per contra* credit by transfer of an equal amount from the Depreciation Reserve Fund.

The balance in the Fund is regarded as deposited with the Government and the transactions relating to it are included in the deposit section of the Provincial accounts.

**Grant XXXI—Miscellaneous.**

426-435

712. The expenditure booked under the heads mentioned below is included in this grant :—

57. Miscellaneous.

63. Extraordinary charges.

64-A. Transfer to Revenue Reserve Fund.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 57. Miscellaneous— | | | | |
| Expenditure on account of State prisoners and detenus .. .. .. | ·01 | ·01 | ·03 | ·02 |
| Cost of books and periodicals .. .. | ·01 | ·01 | .. | .. |
| Donations for charitable purposes .. | ·74 | ·98 | 1·08 | 1·13 |
| Irrecoverable temporary loans and advances written off .. .. .. .. | ·16 | ·21 | ·19 | ·15 |
| Rents, rates and taxes .. .. .. | ·21 | ·18 | ·21 | ·21 |
| Contributions .. .. .. .. | 4·24 | 3·75 | 6·72 | 3·41 |
| Miscellaneous compensations .. .. | .. | ·01 | ·01 | ·01 |
| Miscellaneous and unforeseen charges .. | ·06 | ·07 | ·49 | ·57 |
| Expenditure on air raid precautions .. | .. | .. | .. | .. |
| Charges in England .. .. .. | .. | .. | .. | .. |
| **Total ..** | 5·43 | 5·22 | 8·73 | 5·50 |
| 63. Extraordinary Charges— | | | | |
| Charges in India (Charges incurred as a direct result of the War) .. .. | .. | .. | .. | .. |
| 64-A. Transfer to Revenue Reserve Fund .. | .. | .. | 55·14 | 36·00 |
| **Grand Total .. ..** | 5·43 | 5·22 | 63·87 | 41·50 |

*Expenditure.*

## 57. Miscellaneous.

The major head 57. Miscellaneous is intended to record expenditure which it is not found possible to bring into account under any of the descriptive major heads.

713. *Expenditure on account of State prisoners and detenus.*—Allowances paid to certain Mappilla prisoners after release from detention and personal or family allowances to those restricted or detained under the Defence of India Rules are debited to this head.

714. *Cost of books and periodicals.*—This head is intended for works of general utility not required in a particular department. This Government's share of the cost of books and periodicals supplied to the High Commissioner for India, adjusted by the Accountant-General, Central Revenues, is debited to this head.

715. *Donations for charitable purposes.*—Certain longstanding fixed payments to private individuals for religious and charitable purposes, such as for reading Koran in mosques, allowances to kazis, maintenance of water pandals for travellers and cattle, miscellaneous expenditure, such as that on repatriation of undesirables and vagrants and maintenance of non-Asiatic vagrants who may be sent from this Presidency to the workhouse at Bombay, expenditure incurred by District Magistrates and the Commissioner of Police in sending back destitute children and those from remand homes to their guardians, burial charges of paupers, and grants (usually of a fixed amount) to the undermentioned public and charitable institutions and the like are debited to this minor head :—

Monegar Choultry in Madras and certain choultries in Anantapur, North and South Arcot and the Nilgiris, the Civil Orphans Asylum and the Society for the Protection of Children in Madras, the Friend-in-need Society in Madras and Ootacamund, the Muhammadan Gosha Women's Aid Society, the Triplicane lungarkhana and other lungarkhanas for Muhammadans in Arcot, Kurnool, Nellore and Vellore, the Salvation Army's Rescue Home for Women in Madras and the Madras Vigilance Association.

716. *Irrecoverable temporary loans and advances written off.*—When a loan or advance has to be written off as irrecoverable, the loss has to be made good to the advance head from revenues. The expenditure so incurred is debited to this head by *per contra* credit to the advance head.

717. *Rents, rates and taxes.*—Rents, rates and taxes on buildings jointly occupied by several offices, which it is not possible to distribute among each, are debited to this head.

718. *Contributions.*—Under this minor head is shown the expenditure on payments to compensate the loss, if any, incurred on account of posts and telegraphs offices and railway lines opened for the administrative convenience of the Madras Government, compensation payable to local authorities under section 13 of the Madras Entertainments Tax Act, 1939, contributions in aid of the general balances of impecunious local bodies; and all other special contributions, if any, which cannot be debited to any other head of account. The posts and telegraphs offices concerned and the maximum amount of guarantee in respect of each are :—

| District. | Place. | Maximum annual guarantee. |
|---|---|---|
| | | RS. |
| Anantapur | Kambadur | 243 |
| Arcot, South | Gingee | 507 |
| Cuddapah | Badvel | 1,523 |
| Do. | Siddhavattam | 1,523 |
| Godavari, East | Rampachodavaram | 249 |
| Do. West | Chintalapudi | 613 |
| Kurnool | Atmakur | 1,191 |
| Do. | Allagadda | 1,338 |
| Do. | Koilkuntla | 412 |
| Nilgiris | Glen-Morgan | 2,242 |
| Ramnad | Sayalgudi | 589 |
| Do. | Tiruvadanai | 328 |
| Tinnevelly | Papanasam | 428 |
| Trichinopoly | Musiri | 1,061 |
| Vizagapatam | Chintapalle | 4,705 |
| | Total | 16,952 |

The amount to be paid in any year will depend on the actual loss incurred by the office concerned. The payment on account of all these offices except those at Glen-Morgan and Papanasam is debited to this head. The payment, if any, on account of these is debited to the working expenses of the Pykara and Papanasam Electric Schemes.

The railway line guaranteed against loss is the Salem-Mettur Dam Railway (comprising two sections, viz., Salem-Mecheri and Mecheri-Mettur). The maximum guarantee is the actual loss in each year after deducting unadjusted gain, if any, in previous years.

The only fixed contribution to a local body at present is a sum of Rs. ·87 lakh per annum given to the Nilgiris District Board.

719. *Miscellaneous compensations.*—This head provides for certain small fixed payments of long standing, mainly to local bodies, for the maintenance of chatrams, etc.

720. *Miscellaneous and unforeseen charges.*—This head records charges which cannot be booked under any other head of account, e.g., expenditure on account of the visits of high personages, rewards for the destruction of wild animals and reptiles which menace human life, cattle or crops; travelling and maintenance charges of indigent persons bitten by rabid animals who proceed to the Pasteur Institute, Coonoor, for treatment and compensations to Government servants for loss of property incurred in the discharge of their duties, rewards for information relating to lost or stolen properties of Government or escheats and rewards for saving life, maintenance charges of abandoned children, expenditure on demarcation of boundaries adjoining other provinces or States, losses of cash due to acceptance of counterfeit coins in Provincial treasuries under such circumstances that it is impossible to recover the amount from the persons at fault, etc.

The expenditure on Madras Provincial War Committee and District War Committees and their Sub-Committees is recorded under this head as it is not proposed to recover the expenditure from the Central Government.

721. *Expenditure on Air Raid Precautions.*—The entire expenditure incurred on air raid precautions including the pay of the Air Raid Precautions Officer and his staff is debited to this head. Credit is taken for the recovery of the entire expenditure from the Central Government.

722. *Charges in England.*—Miscellaneous charges connected with the supply of stores to the Madras Government and the cost of books and publications which are not for any specific department, are debited to this head.

### 63. Extraordinary charges.

723. The major head 63. Extraordinary charges records extraordinary payments of a non-recurring character which it may be desirable to distinguish from the ordinary expenditure of the Province.

724. *Charges incurred as a direct result of the war.*—The charges incurred in this Province as a direct result of the war on account of enemy subjects are debited to this head and a corresponding recovery is made from the Central Government.

### 64-A. Transfer to Revenue Reserve Fund.

725. It is proposed to constitute a Revenue Reserve Fund to which will be credited the surplus yield of the new taxes levied from 1939–1940 after meeting the cost of prohibition. The amount to be transferred to the Fund in any year is shown under this head.

### Explanation of variations.

427–432 726. *Contributions.*—The revised estimate provides for arrear payments on account of the guarantee payable on the Mecheri-Mettur branch line during 1938–1939 and 1939–1940 and for compensation to local bodies under the Madras Entertainments Tax Act, 1939, for the years 1939–1940 and 1940–1941, while the budget estimate for 1941–1942 includes provision for the requirements for the budget year only.

As the Shoranur-Nilambur Railway has been closed with effect from 5th December 1940, the budget estimate for 1941–1942 does not include the usual compensation of Rs. 1·39 lakhs.

428–432 727. *Miscellaneous and unforeseen charges.*—The increase in the revised estimate for 1940-1941 is due to the debit to this head of the expenditure on Madras Provincial War Committee and District War Committees and their Sub-Committees.

Reference to pages in the Detailed Annual Estimates of Expenditure.

728. 64-*A. Transfer to Revenue Reserve Fund.*—The revised estimate for 1940–1941 provides for the transfer to the fund of Rs. 55·14 lakhs being the expected surplus yield of the new taxes for the years 1939–1940 and 1940–1941 while the budget estimate for 1941–1942 allows for the transfer of the expected surplus of Rs. 36 lakhs for the year 1941–1942—see Appendix I-B. 426

### Grant XXXII—Capital Outlay on Irrigation.

436—438

| | Accounts, 1939-1940. | Budget Estimate, 1940-1941. | Revised Estimate, 1940-1941. | Budget Estimate, 1941-1942. |
|---|---|---|---|---|
| 68. Construction of Irrigation, Navigation, Embankment and Drainage Works— | | | | |
| Irrigation Works—Productive— | | | | |
| Works .. .. .. | 3·49 | 3·58 | 2·99 | 1·20 |
| Establishment .. .. .. | ·36 | ·09 | ·34 | ·03 |
| Suspense .. .. .. | — ·02 | — ·01 | — ·01 | — ·01 |
| *Deduct*—Receipts and Recoveries on capital account .. .. | — ·94 | — ·26 | — ·63 | — ·06 |
| Lump addition for regrant of lapses. | .. | .. | .. | ·01 |
| Probable savings .. .. | .. | — ·07 | .. | — ·02 |
| Charges in England .. .. | ·11 | .. | ·02 | ·01 |
| **Total—Productive** .. | **3·00** | **3·33** | **2·71** | **1·16** |
| Irrigation Works—Unproductive— | | | | |
| Works .. .. .. | ·01 | .. | .. | .. |
| Establishment .. .. .. | .. | .. | .. | .. |
| **Total—Unproductive** .. | **·01** | . | .. | .. |
| **Grand Total** .. | **3·01** | **3·33** | **2·71** | **1·16** |

*Expenditure.*

729. Projects for irrigation, navigation, embankment and drainage for which capital and revenue accounts are kept are of two classes—

(1) Productive; and

(2) Unproductive.

Productive public works are works of a remunerative character undertaken for the improvement of the country. Their first cost is usually met from borrowed money and they are expected after a certain period to yield enough revenue to meet the interest charges on the capital and the cost of working and maintenance. The outlay is sometimes met from revenues or from the Famine Relief Fund—see paragraph 342.

Unproductive public works include those which, although not directly remunerative, are calculated to guard against expenditure which would otherwise probably be incurred in the future on relief of the population, and those which are undertaken for the general improvement of the country, or for general administrative purposes.

730. The cost of special establishments for the execution of irrigation projects and the pensionary charges in respect of such special establishments are shown under the minor head Establishment.

731. The cost of special tools and plant, if any, purchased for the use of irrigation projects is shown under the minor head Tools and Plant.

732. The minor head Suspense is reserved for the temporary recording of such transactions as must at once be taken to the account of the sanction or grant concerned, but cannot be cleared finally until a later date, either because the relevant payment, recovery or adjustment is awaited or because it is necessary to keep an effective watch over the values of any stock materials pending their final disposal. Expenditure on stock and other suspense accounts is sanctioned on the understanding that the outlay will be recovered and the temporary debit to suspense ultimately extinguished. The charges under a suspense account are taken in enhancement of the charges under the major head and the recoveries are taken in reduction of the charges. The figures against this minor head show the net effect of all transactions.

Reference to pages in the Detailed Annual Estimates of Expenditure.



733. The receipts and recoveries on capital account, in so far as they represent recoveries of expenditure previously debited to the capital major head, are shown under the minor head Deduct—Receipts and Recoveries on Capital account.

EXPLANATION OF VARIATIONS.

436 734. *Irrigation works—Productive works.*—The decrease in the revised estimate for 1940–1941 is due partly to larger realizations by the sale of special tools and plant purchased for the Cauvery-Mettur Project and partly to smaller outlay than was anticipated on certain works, chiefly in the Godavari and Kistna deltas and the Kattalai scheme, due to unusual rains, delay in land acquisition and other causes. The decrease is partly offset by increased outlay on the excavation of the Appapuram channel, owing to high tender rates and increase in land acquisition charges. The budget estimate for 1941–1942 provides for works in progress and for three new works, viz., providing irrigation facilities to Bandar Fort Block, excavation of the new Arthamur channel in Bandar taluk and excavation of the Nidamanur new channel in Bezwada taluk.

437 735. *Establishment.*—The increase in the revised estimate for 1940–1941 is due to adjustment of the leave salaries of the special establishments employed on the execution of irrigation projects not anticipated in the budget. The budget estimates for 1941–1942 provide only for the pensionary charges of the special establishments.

437 736. *Receipts and Recoveries on Capital account.*—This item is of a fluctuating character.

## Grant XXXIII—Capital Outlay on Industrial Development.

| | | Accounts, 1939-1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| | 72. Capital Outlay on Industrial Development— | | | | |
| 439 | Cinchona .. .. .. | ·36 | ·19 | ·46 | ·90 |
| | **Total ..** | **·36** | **·19** | **·46** | **·90** |

*Expenditure.*

737. This head is intended to accommodate all new expenditure which the Government may decide to finance from sources other than current revenues in developing the undermentioned industrial undertakings :—

(1) The Kerala Soap Institute, Calicut ;

(2) The Industrial Engineering Workshops, Madras ; and

(3) The Government Cinchona Plantations, which consist of three blocks, namely, the Naduvattam, Dodabetta and Anamalais plantations.

The Kerala Soap Institute, the Industrial Engineering Workshops and the Naduvattam and Dodabetta Cinchona plantations having been fully developed, the amount of new capital invested in their further development in recent years has been small and was financed either from current revenues or from the amounts at the credit of their respective depreciation reserves for renewals and replacements, the transactions passing through the head 43. Industries (Grant XXI) in the Revenue Account and not through the present head. The Anamalais Cinchona plantations are also regarded as having become fully developed from 1939–1940. Expenditure not contemplated in the original schemes for the development of all the three plantations, such as extension of cinchona plantations in the Anamalais and the construction of permanent quarters and provision of protected water-supply for the labourers will be budgeted for under the present capital head 72. Capital Outlay on Industrial Development.

738. One special feature in respect of the Kerala Soap Institute, the Industrial Engineering Workshops and the Cinchona plantations is as follows :—

The cumulative capital outlay adopted for the purpose of calculating interest on it—see paragraph 378—takes into account the net profit or loss in respect of the concern in each year. If the result is a profit, the capital outlay is increased by the amount of the profit and, if it is a loss, it is decreased by that amount. This is only for *pro forma* purposes for calculating the interest. No credit or debit adjustment is made on this account under the head 72. Capital Outlay on Industrial Development.

Reference to pages in the Detailed Annual Estimates of Expenditure.

EXPLANATION OF VARIATIONS.

739. The Government have decided to open an additional area of 1,110 acres of reserve forest land in the Anamalais for cinchona cultivation during the years 1940–1941 to 1945–1946. The increase in the revised estimate for 1940–1941 and the budget estimate for 1941–1942 is mainly due to the inclusion of provision up to the maximum laid down for these years in the programme of expenditure on these plantations.

## Grant XXXIV—Civil Works outside the Revenue Account.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. | |
|---|---|---|---|---|---|
| 81. Capital Account of Civil Works outside the Revenue Account—Original Works— | | | | | |
| Buildings .. .. .. | 11·62 | 10·65 | 10·06 | 13·09 | 440 |
| Lump-sum deduction for probable savings. | .. | — ·64 | .. | — ·69 | |
| Lump addition for regrant of lapses . | .. | ·05 | .. | ·05 | |
| Total .. | 11·62 | 10·06 | 10·06 | 12·45 | |

740. An individual work, a group of works which are inter-dependent or a comprehensive programme of works relating to a single object or necessitated by a single cause may be treated as " one scheme " and debited to this capital head, if the total estimated cost is so large that it cannot reasonably be financed from current revenues. The cost of a scheme is not debited to this head unless it is more than Rs. 5 lakhs. This Grant includes the works outlay on such schemes. The establishment and tools and plant charges which are debited to this head after the close of the year are included in Grant XXV. Civil Works—Establishment and Tools and Plant, as explained in paragraph 638.

741. The schemes the cost of which is being debited to this capital head at present are—

(1) Comprehensive housing scheme for the Police.

(2) Remodelling of the General Hospital, Madras.

(3) The Trichinopoly Hospital.

(4) The Madura Hospital.

(5) The Cocanada Hospital.

(6) The Calicut Hospital.

(7) The construction of an out-patient block, maternity block, X-ray block, twin operation theatre, kitchen, children's ward and extension to the pathological block in the Vizagapatam Hospital.

(8) The construction of buildings for the Stanley Medical College and septic wards in the Government Rayapuram Hospital, Madras.

742. *Lump-sum deduction for probable savings.*—This is explained in paragraph 799.

743. *Lump addition for regrant of lapses.*—This is explained in paragraph 796.

EXPLANATION OF VARIATIONS.

744. *Original Works—Buildings.*—The increase in the budget estimate for 1941–1942 is due to expected better progress on works and to the inclusion of provision for the following new works :— 440

(1) Construction of additional quarters for Police staff.

(2) Construction of X-ray block, twin operation theatre and kitchen in the Vizagapatam Hospital.

(3) Construction of new buildings for the Headquarters Hospital, Calicut.

745. *Lump-sum deduction for probable savings.*—The budget estimate for 1941–1942 allows for a 5 per cent savings on works in progress and 10 per cent on new works.

Reference to pages in the Detailed Annual Estimates of Expenditure.

## Grant XXXV—Capital Outlay on Electricity Schemes.

441—457

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 81-A. Capital outlay on electricity schemes— | | | | |
| Pykara hydro-electric scheme .. .. | 16·42 | 9·55 | 14·62 | 12·00 |
| Mettur hydro-electric scheme .. .. | 23·27 | 12·86 | 10·64 | 14·19 |
| Papanasam hydro-thermal project .. .. | 23·77 | 55·33 | 43·40 | 43·80 |
| Vizagapatam thermal station .. .. | ·46 | 1·10 | ·70 | 3·27 |
| Bezwada thermal station .. .. .. | 3·79 | 6·33 | 1·44 | 7·95 |
| Cocanada thermal station .. .. | 1·18 | 5·50 | 5·47 | ·58 |
| West Godavari district electrification scheme. | .. | .. | .. | 3·86 |
| Lump deduction for probable savings .. | .. | — 4·69 | .. | — 4·28 |
| **Gross total ..** | **68·89** | **85·98** | **76·27** | **81·37** |
| *Deduct*—Amount Financed from ordinary revenues .. .. .. .. | .. | .. | — 30·00 | — 45·00 |
| **Net total ..** | **68·89** | **85·98** | **46·27** | **36·37** |

*Expenditure.*

746. Expenditure of a capital nature on hydro-electric and thermo-electric schemes during the construction period and the subsequent expansion is debited to this major head. Such portion of the capital expenditure as the Government may decide to finance from current revenues in any year is transferred from the capital to the revenue section of the accounts by a deduct entry under this head—see paragraph 660. Expenditure on ordinary extensions and improvements, which are not of the nature of expansion but are intended to improve the service, is debited to the head XLI. Receipts from electricity schemes—Working expenses, included in Grant XXVII. Electricity (vide paragraph 650).

Separate accounts of capital outlay are maintained for each major scheme. They show the expenditure under the minor heads Works, Establishment, Tools and Plant, Suspense and Receipts and Recoveries on capital account. Under the head Works is shown all expenditure on the work (except what comes under Establishment and Tools and Plant) including the cost of materials and labour. The cost of the establishments employed for the execution of the scheme including the cost of supervision is shown under the minor head Establishment, while the cost of special tools and plant and other similar materials is shown under the head Tools and Plant. All receipts realized from the project during the construction period, i.e., before operation accounts are opened, are credited under the head Receipts and Recoveries on capital account and taken in reduction of the capital expenditure.

### Explanation of variations.

441—444 and 454—455

747. *Pykara hydro-electric scheme.*—The increase in the revised estimate for 1940–1941 is due to—

(i) provision for increasing the transformer capacities at Rajapalaiyam and Koilpatti and for special protection works at Pykara necessitated by the heavy rainfall in November 1939 ;

(ii) larger expenditure on extensions already sanctioned ; and

(iii) payment for electrical equipment which was expected to be received in 1939–1940, but actually received only in 1940–1941.

Reference to pages in the Detailed Annual Estimates of Expenditure.

The budget estimate for 1941–1942 provides for the following items :—

| | RS. LAKHS. |
|---|---|
| Increasing the transformer capacities at sub-stations .. .. | 2·31 |
| Extension lines for distribution of power in the Pykara system .. | 3·77 |
| Extension of Pykara power to the West Coast .. .. .. | ·30 |
| Supply of electric power to Madura .. .. .. .. | ·81 |
| Lump-sum provision for the construction of transmission lines and other works for supply of power to intending consumers .. .. | 4·00 |
| Other miscellaneous items .. .. .. .. .. | ·81 |
| Total .. | 12·00 |

748. *Mettur hydro-electric scheme.*—The decrease in the revised estimate for 1940–1941 is due chiefly to the provision made for the fourth generating unit at Mettur not being utilized in full owing to the main machinery being expected to be received only in 1941–1942. The decrease is partly offset by larger expenditure on extensions and distribution schemes in the Mettur system. 445–447 and 455–456

The budget estimate for 1941–1942 provides for the following items :—

| | RS. LAKHS. |
|---|---|
| Fourth generating set at Mettur .. .. .. .. .. | 7·19 |
| Extension of distribution lines in the Mettur system .. .. | 2·00 |
| Lump-sum provision for the construction of transmission lines and other works for supply of power to intending consumers .. .. | 4·00 |
| Other miscellaneous items .. .. .. .. | 1·00 |
| Total .. | 14·19 |

749. *Papanasam hydro-thermal project.*—The decrease in the revised estimate for 1940–1941 is due chiefly to smaller expenditure on works owing to the delay in the supply of plant and machinery from England on account of the War. The budget estimate for 1941–1942 provides for the following items :— 447–448 an 457.

| | RS. LAKHS. |
|---|---|
| (i) Papanasam main scheme (including 10 lakhs for continuing the dam construction) .. .. .. .. .. .. | 34·91 |
| (ii) Koilpatti-Madura transmission line .. .. .. .. | 7·41 |
| (iii) Distribution of power in the Papanasam system .. .. | 1·48 |
| Total .. | 43·80 |

750. *Vizagapatam thermal station.*—The decrease in the revised estimate for 1940–1941 is due to smaller expenditure on extensions. The budget estimate for 1941–1942 provides Rs. 1·92 lakhs for a third generating set to cope with the increase in the demand for power and Rs. 1·00 lakh for distribution of power in the area served by the scheme. 449–450 and

751. *Bezwada thermal station.*—The decrease in the revised estimate for 1940–1941 is due to the delay in the supply of machinery for the third generating set at Bezwada and the consequent postponement of payments to 1941–1942. 450–451 and 457.

752. *Cocanada thermal station.*—The distribution schemes in the Cocanada thermal area are expected to be completed in 1940–1941. The budget estimate for 1941–1942 provides a lumpsum of ·50 lakh for extensions. 451–452

753 *West Godavari district electrification scheme.*—The budget estimate for 1941–1942 provides for the construction of a thermal station at Attili and of transmission lines for the distribution of power in the West Godavari district. 453

754. *Lump deduction for probable savings.*—This is explained in paragraph 799. 448, 453

Reference to pages in the Detailed Annual Estimates of Expenditure. 453

755. *Deduct—Amount financed from ordinary revenues.*—The estimates provide for the proposed transfer to the Revenue account of a portion of the expenditure on capital outlay on electricity schemes amounting to Rs. 30 lakhs in 1940–1941 and Rs. 45 lakhs in 1941–1942.

756. A note by the Chief Engineer for Electricity on the progress made on the electricity schemes during 1940–1941 and the work which the department proposes to execute in 1941–1942 is printed below.

## Note by the Chief Engineer for Electricity on the electricity schemes.

### Progress made in 1940–1941.

Important items of progress during 1940–1941 are—

1. The satisfactory operation and maintenance of the Pykara electricity system and the increase in the load and revenue ;

2. Steady increase in the load and revenue of the Mettur electricity system, and completion of a large number of extensions and distribution schemes ;

3. The progress made on the civil works connected with the Papanasam hydro-thermal scheme ; and

4. The bringing into commercial operation of the Cocanada power station.

The execution of works and general progress were considerably retarded on account of the war. The uncertainty and delay in the supply and delivery of materials from abroad and the rise in prices affected the activities of the department both directly and indirectly. In spite of these adverse conditions, the upward trend of the demand on power systems experienced in previous years was maintained.

The total expenditure on capital works during the current year is expected to be Rs. 76·27 lakhs against Rs. 68·89 lakhs in 1939–1940. The capital expenditure in 1941–42 is expected to be Rs. 81·37 lakhs.

The total revenue from sale of power including thermal stations is estimated to be Rs. 66·28 lakhs in the current year, against Rs. 53·85 lakhs in 1939–1940. The anticipated revenue in 1941–1942 is Rs. 69·23 lakhs.

*The Pykara Electricity System.*—This was the eighth year of operation. The power station continued to function satisfactorily and the transmission lines and sub-station equipments were maintained in good order. A new textile mill was connected to the system. Kodaikanal Municipality closed down its generating plant and changed over to Government supply. The demand of the Cordite Factory at Aravankadu is expected to increase appreciably on account of war activities. Construction of a separate line and other arrangements to meet this demand are in progress. Spread of electricity in the country side continued to grow. Commercial activity was devoted mainly to developing the southern area around Madura, where nearly fifteen extensions were energised during the year. The increase in load and revenue during the year was satisfactory. The peak load on the system was 24,900 K.W. as against 21,900 K.W. last year. The revenue by sale of power in 1940–1941 in this system is expected to be Rs. 43·92 lakhs and that in 1941–1942, Rs. 44·41 lakhs.

*The Mettur electricity system.*—1940–1941 was the third complete year of operation. There has been steady progress in generation, transmission and distribution of power. There were several instances, during the year, of damage to equipment caused in most cases by storm and lightning resulting in long interruptions at Tiruppattur and Tirukoilur and short ones at other outlying stations. In November, one of the Mettur generators broke down due to weakened insulation as a result of the 1938 flooding. Repairs are in progress. This did not however interfere with the supply of power from the station. The additional switchgear for the fourth unit now on order arrived at site at the end of 1940, but the main machinery is not expected until late in 1941.

The Steel Rolling Mills at Negapatam started work again in May 1940 with power demand of about 600 K.W. The Jawahar Mills started taking supply. The Mettur Chemical Corporation expect to commence operation in February 1941 and will be taking power shortly. Over thirty urban and rural schemes were completed and brought into operation.

The peak load in the system was 12,300 K.W. as against 9,400 K.W. last year.

Reference to pages in the Detailed Annual Estimates of Expenditure.

The revenue by sale of power in this system in 1940-1941 is expected to be Rs. 17·43 lakhs and that in 1941-1942, Rs. 18·83 lakhs.

*Papanasam hydro-thermal scheme.*—At the outbreak of war the Government decided to curtail capital expenditure on this scheme to the minimum necessary for essential operation but subsequently the restriction has been relaxed in the interest of development and eventual economy and the scheme as originally sanctioned allowed to be proceeded with.

Work during the year was largely concentrated on the principal civil works—the Tambraparni dam and the diversion weir. Good progress was made and both are ahead of the scheduled programme. Supply of machinery is however delayed on account of the war. Some items are due early in 1941 but the turbines are not expected till late in the year.

*Dam.*—The river-bed foundations were completed and portions were built up to a height of about 70 feet. The two 8½ feet diameter outlet pipes were erected and covered. Excavation of the surplus course was continued. Greater masonry work on the dam was built than programmed for the year.

*Diversion weir.*—Construction was taken up on the right half and extended to the full length of the weir. About 40 per cent of the bulk of the weir was built during the year with a finished length of 800 feet out of a total of 1,350 feet.

*Other works.*—All straight pipes and bends of the low pressure pipe line were erected and tested. Piers for the penstock pipes were completed. One hundred and twenty-four penstock pipes have been manufactured and are ready to be transported to site for erection. In the power-house, the concrete foundations for the steel structures were completed and 80 per cent of the fabricated steel work was delivered at site and is ready for erection.

*Construction power-house and West Tinnevelly extensions.*—The construction power house over and above serving the needs of works, is supplying power to ten panchayats from the station. There is a growing demand for power, but further extensions could not be undertaken owing to restricted capacity of the generating set.

*Transmission lines and sub-stations.*—Owing to the satisfactory receipt of transmission line materials by the contractors, it has been possible to start construction and the transmission line construction division has been revived. The contractors are finalizing the tower schedules in the Papanasam-Kayattar section, while work has been commenced in the Kayattar-Koilpatti section.

The sub-station work at Kayattar switching station has already been taken up while that for Tuticorin will be commenced shortly. The sub-station extension works at Koilpatti are making good progress. The capital expenditure in 1940-1941 is expected to be Rs. 43·40 lakhs on this scheme and that in 1941-1942, Rs. 43·80 lakhs.

*Vizagapatam thermal scheme.*—The power-station maintained a continuous power supply satisfactorily in spite of the trouble in one of the generating sets. Delay has occurred in the delivery of the new 1,500 K.W. set on order and it is not expected until the end of 1941. The peak load on the station reached 1,000 K.W.

Supply to Salur licensee was commenced and the villages of Moida and Tagarapuvalasa were electrified. The projected shipbuilding yard at Vizagapatam is likely to result in appreciable demand for power. In view of the delay in the delivery of the new plant commercial work has had to be curtailed. The revenue by sale of power in 1940-1941 is expected to be Rs. 1·76 lakhs and that in 1941-1942, Rs. 1·93 lakhs.

*Bezwada thermal scheme.*—The operation of the power-station was satisfactory. The peak load exceeded 1,500 K.W. The plant installed is not sufficient for the full demand and orders for a 3,000 K.W. set and boilers have been placed.

The Madras and Southern Mahratta Railway load of 120 K.W. at Bezwada was connected up in April 1940. The Vuyyur Sugar Factory is expected to take bulk supply shortly. A considerable accession of agricultural load was secured at Pattametta. Rural extensions to serve six villages were undertaken and completed. The revenue by sale of power in 1940-1941 is expected to be Rs. 2·70 lakhs and that in 1941-1942, Rs. 3·25 lakhs.

*Cocanada thermal station.*—The station was put in commercial use on 1st January 1940, supplying power in bulk to the Cocanada Municipality. The peak load was 320 K.W. The construction of the transmission lines to and the distribution system at Samalkot, Peddapuram, Ramachandrapuram, Gollaprolu, Pithapuram and Mandapetta are in progress.

*Investigation.*—Field investigation of the Moyar hydro-electric scheme was undertaken. Preliminary reconnaissance of the Machkand hydro-electric scheme was made.

## Programme of work for 1941–1942.

*Pykara hydro electric scheme.*—In addition to the normal maintenance and extensions of the system, the extension to the Cordite Factory will be completed. The sixth 5,000 K.V.A. transformer for Coimbatore receiving station is expected to be received and erection commenced. The work of increasing the transformer capacities of certain sub-stations sanctioned by Government would be completed. The construction of lines to intending consumers up to the amount provided in the blanket grant will be undertaken.

*Mettur system.*—In addition to normal operation and maintenance of the system, the following works will be executed :—

*IV. Generating unit.*—The machinery is expected to be received during the year and the work will be proceeded with. The new third 12,500 K.V.A. transformer will be erected after the balance of parts which are due are received at site.

The extension to Chingleput from Conjeeveram will be completed and power supplied to Chingleput from the Mettur system.

*Papanasam scheme.*—Construction of the dam will be continued according to programme. Although a portion of the machinery and equipment is expected to be received earlier, the turbines are expected late in 1941 when erection will be started. The penstock pipes will be erected and the power-house steel structure completed.

The construction of transmission lines and sub-stations will be proceeded with. The second circuit of the Madura-Koilpatti 66 K.V. line will be started.

*Vizagapatam and Bezwada schemes.*—The machinery connected with the installation of third generating unit at these two places is expected in 1941–1942. If they are received, work on their installation will be started and proceeded with.

*Cocanada scheme.*—The East Godavari extensions will be completed and the distribution schemes at Ramachandrapuram, Samalkot, Mandapetta, etc., will be put in operation.

*West Godavari extensions.*—Proposals for the electrification of the West Godavari district have been submitted as Part II scheme for 1941–1942. The construction of the Generating station at Attili, 11 K.V. transmission lines for bulk supply to Palacole Municipality and distribution lines in thirteen villages will be started after sanction of Government is received.

*West Coast extension.*—This scheme will be taken up in 1941–1942 after sanction of Government is received.

Line and sub-station specifications will be prepared, tenders invited and orders placed. Right of way, surveys and other preliminary field work will be undertaken.

## Grant XXXVI—Commuted Value of Pensions.

458

| | Accounts, 1939–1940. | Budget, Estimate 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| 83. Payments of Commuted Value of Pensions— | | | | |
| Payments of commuted value of pensions .. .. | 4·19 | 2·81 | 3·07 | 2·81 |
| Deductions .. .. .. | —13·03 | —12·99 | — 5·09 | — 2·81 |
| Total .. | —8·84 | —10·18 | — 2·02 | .. |

757. All payments on account of commutation of pensions, whether made in England or in India, including the payments to the Central Government in commutation of the provincial share of the pensions of military officers, such as those belonging to the Indian

Reference to pages in the Detailed Annual Estimate of Expenditure.

Medical Service and the Indian Medical Department, and of the provincial share of divided pensions of other Government servants who retire from the service of the Provincial Government and draw their first pension from a Central treasury, are brought to account in the first instance under the head 83. Payments of Commuted Value of Pensions, which is a capital head outside the revenue account. At the end of the year such portion of the expenditure recorded under this head as the Government may decide to charge against current revenues is transferred to the revenue account under the capital major head 55. A. Commutation of Pensions financed from ordinary revenues. The net amount debited under the head 83. Payments of Commuted Value of Pensions, after deducting therefrom the recoveries from the Central Government of the commuted value of that Government's share of divided pensions of officers who retire from the service of the Provincial Government and draw their first pension from a Provincial treasury, is repaid from revenue either in a lump sum or by a system of equated payments, spread over a period not exceeding fifteen years, which include interest on the capital invested. The equated payments in respect of the amount paid by way of commutation in each year begin from the following year. The rate of interest to be used in calculating them is fixed with due regard to the principle that the interest portion of the equated payments should approximate closely to the actual interest charges paid on any sums borrowed for the purpose.

For the present, the Government have adopted ten years as the period of repayment and a rate of interest of $3\frac{1}{2}$ per cent.

The total equated payments to be made in any year in this connexion are debited to the head 55. Superannuation allowances and pensions—Equated payments of commuted value of pensions charged to Capital by credit to

(*a*) the capital head 83. *Deduct*—Capital portion of equated payments out of revenue for the capital portion of the payments ; and

(*b*) 22. Interest on ordinary debt—*Deduct*—Interest portion of equated payments on account of commuted value of pensions for the interest portion of the payments.

### Explanation of variations.

758. *Payments of commuted value of pensions.*—The increase in the revised estimate for 1940–1941 is due mainly to payments in England being more than budget anticipations. The budget estimate for 1941–1942 provides for smaller payments. 458

759. *Deductions.*—The budget estimate for 1940–1941 took credit for the repayment to capital of about 10 lakhs being the balance of the commuted value of pensions debited to capital in 1938–1939. The amount was, however, adjusted in the accounts for 1939–1940. The net expenditure debited to Capital in 1939–1940 will be repaid from revenues in the current year. Provision has also been made in the revised estimate for 1940–1941 and the budget estimate for 1941–1942 for meeting the expenditure from current revenues. These facts account for the variations in the estimates. 458

## Grant XXXVII—Interest-free Advances. 459

| | Accounts, 1939-1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Deposits and Advances—Advances not bearing interest—Advances Repayable— | | | | |
| Civil advances .. .. .. | 8·53 | 9·06 | 8·10 | 8·12 |
| Revenue advances—Cost of survey marks .. .. .. .. | 1·12 | 1·58 | 1·38 | 1·15 |
| Special advances .. .. .. | ·19 | ·13 | 3·46 | ·13 |
| **Total ..** | **9·84** | **10·77** | **12·94** | **9·40** |

760. The transaction of Government business often necessitates the placing of funds at the disposal of Government servants as temporary cash advances for public purposes. These are subsequently adjusted as expenditure under the appropriate heads of account or recovered from the parties concerned. When such advances are free of interest they are shown in the accounts as Advances Repayable—Interest-free Advances. When

Reference to pages in the Detailed Annual Estimate of Expenditure.

an advance is drawn, it is booked as an 'Outgoing,' and the subsequent adjustment or recovery is booked as a 'Receipt.' Each outgoing should result in a receipt of an equal amount later on, but part of the outgoings of one financial year may be adjusted or recovered in subsequent years. Consequently the outgoings and the receipts under an advance head are not necessarily equal in any one financial year.

The different kinds of interest-free advances are—

761. *Civil advances.*—This head includes advances made to Government servants on first appointment, transfer or return from leave or special duty out of India, advances towards the cost of passages of gazetted Government servants (other than those entitled to passage benefits as a condition of their service) of non-Asiatic domicile and their families when proceeding on or returning from leave and advances for remittance of treasure.

762. *Revenue advances—Cost of survey marks.*—The transactions recorded under this head relate to amounts recoverable from the Government, local bodies and others in respect of advances drawn by Tahsildars for replacing missing boundary marks and by survey officers for demarcation purposes. The actual cost of replacing missing boundary marks is charged to the owners of the land. The amount charged to the Government is debited to the head 25. General Administration—District Administration—Other establishments—Contingencies, and an equal amount is credited as a receipt under the present head, while the amounts recovered from local bodies and others are directly credited to this head as a receipt. Recoveries to be made in respect of advances drawn by survey officers are reported by them to Collectors and such recoveries when effected are credited direct to this head as a receipt.

763. *Special advances.*—These consist of advances for industrial and agricultural purposes to the inmates of settlements for criminal tribes, advances to inspecting officers under the Madras Agricultural Pests and Diseases Act for carrying out remedial and preventive measures, the expenditure on which is recovered subsequently from the ryots concerned, and advances for miscellaneous purposes, e.g., purchase of kit by agricultural students, fishing operations, Chenchu shops and schools, examination fees of Government Press employees for technical tests, advances made by the High Commissioner for India to students and other Indians in the United Kingdom to enable them to return to their homes on account of the war and recovered subsequently from their parents or relatives in India, advance of six days' pay to Government servants in receipt of salaries of Rs. 100 and over for contribution to His Excellency the Governor's War Fund, the amount of the advance being recovered from their pay at the rate of one day's pay for each month during the subsequent six months and advance to the Madras Provincial War Committee to meet the cost of printing advertisement posters and other matter in connexion with entertainment and allied activities arranged by the Committee.

### Explanation of variations.

459 764. *Civil advances.*—The decrease in the revised estimate for 1940–1941 is due to a smaller amount drawn on first appointment or transfer. The budget estimate for 1941–1942 is based generally on the revised estimate.

459 765. *Revenue advances—Cost of survey marks.*—The decrease in the revised estimate for 1940–1941 is due to the fact that the Survey Department is not likely to be able to complete certain surveys within the year, as anticipated in the budget estimate.

The budget estimate for 1941–1942 is based on the extent of survey operations expected to be carried out during the year.

459 766. *Special advances.*—The increase in the revised estimate for 1940–1941 is mainly due to the grant of advances to Government servants to enable them to subscribe in lump to the Madras Governor's War Fund six days' pay and to the Provincial War Committee for the payment of advertisement, etc., charges in connexion with the entertainment and allied activities arranged by the Committee. These advances are expected to be recovered in full within the financial year 1940–1941.

The budget estimate for 1941–1942 excludes provision for the special items included in the revised estimate for 1940–1941.

Reference to pages in the Detailed Annual Estimate of Expenditure.

## Loans and Advances by the Provincial Government.

767. The accounts relating to loans and advances by the Provincial Government are maintained continuously from year to year and show—

(1) the balance of loans advanced in previous years outstanding against the borrowers on the first day of each financial year ;

(2) fresh loans and advances granted during the financial year ;

(3) recoveries of the principal of loans outstanding against borrowers (mostly in respect of loans of previous years except in the case of loans to Government servants) ; and

(4) balance of loans outstanding on the last day of the financial year.

Item (2) above, being expenditure from the Provincial revenues, has to be included in a grant. It has, therefore, been included in Grant XXXVIII. Loans and Advances bearing interest, which comprises two major heads as shown below :—

### Grant XXXVIII—Loans and Advances bearing interest.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Loans to municipalities, port funds, etc. .. .. .. | 103·85 | 99·55 | 88·64 | 100·97 |
| Loans to Government servants .. | ·56 | ·57 | ·50 | ·47 |
| **Total—Grant XXXVIII** .. | **104·41** | **100·12** | **89·14** | **101·44** |

768. The following is a summary of the grant by minor heads :— 460–473

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Loans to municipalities, port funds, etc.— | | | | |
| Loans to presidency corporations, port trusts, and other port funds. | 13·54 | 10·86 | 6·00 | 16·24 |
| Loans to district and other local fund committees .. .. | 1·64 | 1·31 | 1·25 | 2·31 |
| Loans to municipalities .. .. | 17·47 | 15·25 | 15·14 | 15·73 |
| Loans to landholders and other notabilities .. .. .. | .. | .. | .. | .. |
| Advances to cultivators .. .. | 19·41 | 22·86 | 10·69 | 11·75 |
| Advances under special laws (State aid to industries) .. .. | ·27 | ·45 | ·77 | ·40 |
| Miscellaneous loans and advances .. | 51·52 | 48·82 | 54·79 | 54·54 |
| Loans to local boards for railway construction .. .. .. | .. | .. | .. | .. |
| **Total** .. | **103·85** | **99·55** | **88·64** | **100·97** |
| Loans to Government servants— | | | | |
| Advances for the purchase of motor cars .. .. .. .. | ·47 | ·51 | ·40 | ·40 |
| Advances for the purchase of other conveyances .. .. .. | ·05 | ·04 | ·05 | ·05 |
| Passage advances .. .. | ·01 | ·01 | ·01 | ·01 |
| Other advances .. .. .. | ·03 | ·01 | ·04 | ·01 |
| **Total** .. | **·56** | **·57** | **·50** | **·47** |
| **Grand Total** .. | **104·41** | **100·12** | **89·14** | **101·44** |

### Loans to Municipalities, Port Funds, etc.

769. *Loans to presidency corporations, port trusts and other port funds.*—Loans given by the Provincial Government to the Madras Corporation for water-supply and drainage, town-planning and other works of public utility are provided for under this head. Loans previously given to the Madras Port Trust Board which are still outstanding are also accounted for under this minor head, though any further loans that may be made to it will be made by the Central Government, as Madras is a major port and major ports are now administered directly by the Central Government.

770. *Loans to district and other local fund committees.*—Loans to local bodies other than municipalities for roads and bridges, school and office buildings, and other purposes are shown under this head.

771. *Loans to municipalities.*—Under this head are shown loans to mufassal municipalities for water-supply, drainage, electric lighting, roads, buildings and other purposes.

772. *Loans to landholders and other notabilities.*—This head is intended to record loans granted to landholders and notabilities for objects other than those mentioned below under the minor head Advances to cultivators, e.g., relief from heavy encumbrances on their estates, if such relief is considered desirable in the public interests. Such loans are given only very occasionally.

773. *Advances to cultivators.*—Loans granted to cultivators (including landholders) under the Land Improvement and Agriculturists Loans Acts, under the Agriculturists Loans (Madras Amendment) Act, 1935, for the relief of indebtedness of agriculturists, and under the special rules for pumping installations and agricultural implements are shown under this head.

774. *Advances under special laws.*—Advances under the Madras State Aid to Industries Act are shown under this head.

775. *Miscellaneous loans and advances.*—Loans which do not fall strictly under any of the foregoing classes are shown under this minor head. The main items are loans for the acquisition of house-sites for communities eligible for help by the Labour Department, loans to Kallars, co-operative building and sale societies, central banks, the co-operative milk supply union, land mortgage banks, Chenchus in the Nallamalais, chank divers for the purchase of canoes, fish-curers for the construction of storage sheds, owners of fisheries school buildings for their construction or extensions, and the Hindu Religious Endowments Board, and market committees and loans to local bodies to cover deficits.

Temporary short-term loans to the Madras Co-operative Central Land Mortgage Bank repayable within a period of nine months by floating debentures are also shown under this head.

776. *Loans to local boards for railway construction.*—Such loans are not granted now, but there is a balance relating to them outstanding against the Tinnevelly District Board in respect of the Tinnevelly-Tiruchendur Railway.

## Loans to Government Servants.

777. *Advances for the purchase of motor cars.*—Subject to an upper monetary limit, the maximum amount of the advance is restricted to four months' pay or the actual price of the car (or boat), whichever is less. The advance is recoverable in monthly instalments not exceeding 24 in the case of officers drawing a pay of more than Rs. 1,000 a month and 36 in the case of officers drawing not more than Rs. 1,000 a month beginning with the month following that in which it is drawn. In respect of advances for motor cars drawn on or after the 1st January 1941, by officers drawing a pay of more than Rs. 1,000 a month, recovery may be made during the period of the war in monthly instalments of not less than one-thirty-sixth part of the advance in lieu of one-twenty-fourth part.

778. *Advances for the purchase of other conveyances.*—These include motor cycles, bicycles, bullocks and bullock-carts, boats, etc.

Subject to an upper monetary limit, the maximum amount of the advance is restricted to eight months' pay or the actual price of the motor cycle, whichever is less. The recovery is effected in monthly instalments as in the case of motor-car advances.

Advances for bicycles, bullocks and bullock-carts, boats, etc., are granted to non-gazetted Government servants except low paid men such as attenders, peons, etc. The maximum advance for purchasing one of these conveyances is two months' pay or Rs. 200 whichever is greater, and it is recovered in monthly instalments not exceeding 12.

779. *Passage advances.*—Certain Government servants of non-Asiatic domicile are entitled, as a condition of their service, to passage benefits for themselves and their families subject to a maximum number of passages during the whole of their service, e.g., members of All-India Services and officers employed on contract. When such an officer has exhausted his passage benefits, he may be granted an advance to cover the cost of passages for himself and his family, subject to an upper monetary limit, provided that it does not exceed four months' pay or the actual cost of the passages, whichever is less. The advance is recovered in monthly instalments not exceeding 36.

Reference to pages in the Detailed Annual Estimate of Expenditure.

780. *Other advances.*—These include advances for the purchase of typewriters and special advances such as those which are occasionally given to Government servants who leave India for higher studies. All gazetted officers on a pay not exceeding Rs. 500 per mensem and superintendents of the Secretariat and the Legislative Assembly Department who desire to supply themselves with their own typewriters for Government work are eligible for advances for this purpose. The purchase is made through the Superintendent of Stationery and the advance is recovered in monthly instalments not exceeding 12. The special advances are granted only in exceptional cases and for special reasons.

## Explanation of variations.

781. *Loans to presidency corporations, port trusts and other port funds.*—The decrease in the revised estimate for 1940–1941 is due to the fact that the loan requirements of the Corporation were restricted to Rs. 6 lakhs against Rs. 10·86 lakhs provided for in the budget, as schemes were not ready and the Corporation had large unspent loan balances. 464

The budget estimate for 1941–1942 provides for loans to the Madras Corporation for the following items :—

| | RS. LAKHS. |
|---|---|
| Poondi Reservoir Scheme .. .. .. .. .. | 15·96 |
| Improvement to City water-supply distribution system .. .. | 1·00 |
| Drainage works .. .. .. .. .. .. .. | 1·00 |
| Storm water drainage scheme .. .. .. .. .. | 2·00 |
| Construction of flushout latrines .. .. .. .. .. | ·50 |
| Construction of an Industrial Home .. .. .. .. | ·35 |
| Construction of a building for the maternity and child welfare centre at Choolai .. .. .. .. .. .. .. | ·22 |
| Construction of cattle depots for Vyasarpady and Perambur .. .. | ·40 |
| Lump deduction for probable savings .. .. .. .. | — 5·19 |
| Total .. | 16·24 |

782. *Loans to district and other local fund committees.*—The budget estimate for 1941–1942 provides for loans to certain local bodies for works in progress for which loans have been given in previous years and also for new works including Road Development Fund works. 465–466

783. *Loans to municipalities.*—The decrease in the revised estimate for 1940–1941 is due to the short disbursement of loans to certain local bodies. The budget estimate for 1941–1942 provides for loans to certain municipalities for works in progress and for new works as detailed in Appendix VIII. 467–468

784. *Advances to cultivators.*—Only a fraction of the provision of Rs. 15 lakhs made in the budget for the relief of rural indebtedness is expected to be utilized in the current year. The decrease is partly offset by the disbursement of a larger amount as loans to cultivators under the Land Improvement and Agriculturists' Loans Acts, mainly in the Chingleput district on account of the adverse seasonal conditions in 1939–1940. The budget estimate for 1941–1942 includes a provision of Rs. 2·50 lakhs for the relief of rural indebtedness. 470

785. *Advances under special laws (State Aid to industries).*—The increase in the revised estimate for 1940–1941 is due to the disbursement of loans being larger than anticipated. 463

786. *Miscellaneous Loans and Advances.*—The increase in the revised estimate for 1940–1941 is due to the grant of an additional sum of Rs. 7 lakhs as short-term loans to the Madras Co-operative Central Land Mortgage Bank to finance primary land mortgage banks. The budget estimate for 1941–1942 includes Rs. 50 lakhs for short-term loan to the Central Land Mortgage Bank. 471–472

## Loans to Government Servants.

787. *Advances for the purchase of motor cars.*—The disbursements under this head are expected to be smaller owing to the terms for the grant of loans being made more stringent and the enhancement of the rate of interest to 6¼ per cent. 47

Reference to Pages in the Detailed Annual Estimate of Expenditure.



## Provincial Loan Account.

788. The following is an abstract of the accounts of loans and advances made by the Provincial Government :—

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. .. | 507·54 | 541·93 | 542·86 | 539·48 |
| *Add*—Outgoings, i.e., Advances .. | 104·41 | 100·12 | 89·14 | 101·44 |
| **Total** .. | **611·95** | **642·05** | **632·00** | **640·92** |
| *Deduct*—Receipts, i.e., Recoveries .. | 69·09 | 83·48 | 92·52 | 92·01 |
| Closing balance .. .. .. | 542·86 | 558·57 | 539·48 | 548·91 |

### Explanation of variations.

789. *Outgoings*.—The variations have been explained in paragraphs 781 to 787.

790. *Receipts*.—The increase in the revised estimate for 1940–1941 is due partly to increased receipts under loans to cultivators owing to favourable seasonal conditions and partly to larger repayments of short-term loans by the Central Land Mortgage Bank owing to an increase in the amount of such loans granted to the bank.

The budget estimate for 1941–1942 takes credit for smaller repayments of short-term loans by the Madras Co-operative Central Land Mortgage Bank taking into account the advances of the current year remaining to be repaid and the advances to be made next year and anticipates an increased collection of nearly one lakh under loans to cultivators owing to larger disbursement of loans in 1939–1940.

## Grants for economic development and improvement of rural areas.

| | Accounts, 1939–1940. | Budget Estimate, 1940–1941. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|
| Opening balance .. .. | 2·20 | ·29 | 1·58 | 1·13 |
| *Add*—Receipts .. .. | 3·20 | 6·17 | 4·67 | 4·65 |
| **Total** .. | **5·40** | **6·46** | **6·25** | **5·78** |
| *Deduct*—Outgoings .. | 3·82 | 6·46 | 5·12 | 5·78 |
| Closing balance .. .. | 1·58 | .. | 1·13 | .. |

791. The Central Government placed at the disposal of this Government in 1935–1936 a sum of 14 lakhs for expenditure on schemes for the economic development and improvement of rural areas in this Province. A sum of ·27 lakh out of this was allotted for expenditure in the areas transferred to the Orissa Province on 1st April 1936. The Central Government have also allotted a further sum of 15 lakhs for rural uplift in this Province. The major portion of this grant together with the unspent balance of the grant of 1935–1936 has been allocated to the several districts on a rural population basis, and the balance has been earmarked for special schemes or other purposes. The grant is being spent on schemes falling in the categories mentioned below :—

(1) Improvement of rural water-supply.

(2) Improvement of rural sanitation.

(3) Encouragement and development of loan and sale co-operative societies by making free grants towards part of the cost of godowns (and for village hall *cum* reading room, if so desired).

(4) Improvement of village communications including the bridging of irrigation canals and channels where there are no roads.

(5) Consolidation of holdings.

Reference to pages in the Detailed Annual Estimate of Expenditure.

The execution of any scheme in any rural area was previously made dependent on a contribution of not less than one-third of the cost either in cash or in kind (by labour or the like) from the village or other area which was to benefit by the scheme except in the case of construction of godowns by loan and sale co-operative societies for which a free grant limited to a fourth of the cost of such godowns could be made. The Government of India have recently empowered the Provincial Government to relax the condition of contribution. The grants received from the Central Government and the contributions are credited initially to the deposit account. The grant is credited to this Government in instalments every half-year, and the amount of each instalment is equal to the expenditure likely to be debited against the grant during that half-year.

The expenditure financed from these except that on the Poonamallee Health Unit is incurred by Collectors and is debited to the head 25. General Administration—Expenditure from rural reconstruction grants under Grant XI and a corresponding amount is credited to XLVI. Miscellaneous by debit to the deposit head—see paragraphs 271 and 437.

The expenditure on the Poonamallee Health Scheme which was financed partly from the contribution from the Rockefeller Foundation and partly from the grant from the Central Government for economic development and improvement of rural areas is being met entirely from Provincial revenues, from 1st October 1940, but the question of financing it from the Central Government's grant is under separate consideration. The expenditure on the scheme is controlled by the Director of Public Health and is debited to the head 39. Public Health under Grant XVII.

792. The Central Government have also agreed to allot a sum of 2·96 lakhs to this Province to be spent on the following objects in connection with the development of the co-operative movement :—

(1) Training the existing staff of the co-operative movement, official and non-official ; and

(2) educating the members of co-operative societies, and more especially the office-bearers and members of committees, in the bye-laws and in the elementary principles of co-operation.

The scheme is to be spread over a period of five years commencing with 1936–1937. The training is to be conducted in the Government Central Co-operative Training Institute, Madras, and by peripatetic training institutes and in several centres in each district, by the Co-operative Department. The expenditure on the scheme of training in excess of the expenditure now incurred by the Provincial Government on the central and peripatetic institutes will be debited to this grant.

The expenditure financed from these grants is debited to the head 42. Co-operation —Superintendence under Grant XX and a corresponding amount is credited to the head XXXI. Co-operation by debit to the deposit head—see paragraphs 211 and 589.

793. The Central Government also decided to distribute among the various provinces with effect from 1936–1937 a grant of 5·00 lakhs spread over a period of five years for the benefit of cottage and small scale woollen industries. Out of this allotment, the share of this Province has been fixed at a basic recurring grant of Rs. 7,714 per annum, the non-recurring share being a variable amount to be sanctioned at the discretion of the Government of India in any year according to the merits of the case. The help to woollen industries is utilized in this Province for the following purposes :—

(1) Organization of a number of co-operative societies in the cumbly weaving areas and the establishment of a sale depot for marketing their products,

(2) organization of a central co-operative society of master weavers engaged in the pile carpet industry at Ellore, (*a*) for the dyeing of wool in a small central dye-house and (*b*) for the marketing of finished products, and

(3) employment of a designer to assist in the development of both sections of the woollen industry.

The expenditure on the dye-house referred to in item (2) is met from provincial funds as the Central Government declined to meet it from their grant.

The expenditure from Provincial funds and the Central Government's grant is debited to the head 43. Industries—Miscellaneous Experiments and Grants-in-aid, respectively, under Grant XXI, the portion from the Central Government's grant being credited to the head XXXII. Industries by a corresponding debit to the deposit head—see paragraphs 216, 596 and 597.

Reference to Pages in the Detailed Annual Estimate of Expenditure.

EXPLANATION OF VARIATIONS.

794. *Receipts.*—The revised estimate for 1940–1941 takes credit for an instalment of grant from the Central Government for cottage and small scale woollen industry (·08), for co-operative training and education (·50) and for rural uplift schemes (2·66) and contributions for rural uplift schemes from local bodies, villagers, etc. (1·40) and the Rockefeller Foundation (·03). The budget estimate for 1941-1942 takes credit for an instalment of grant from the Central Government for cottage and small scale woollen industry (·08), for co-operative training and education (·74) and for rural uplift schemes (2·28) and contributions for rural uplift schemes from local bodies, villagers, etc. (1·55).

795. *Outgoings.*—The revised estimate for 1940–1941 anticipates an expenditure of 4·15 lakhs on rural uplift schemes including the Poonamallee Health Unit, ·17 lakh on cottage and small scale woollen industry and ·80 lakh on co-operative training and education. The budget estimate for 1941–1942 anticipates an expenditure of 5·00 lakhs on rural uplift schemes, ·08 lakh on cottage and small scale woollen industry and ·70 lakh on co-operative training and education.

**Lump provision for unforeseen Expenditure and deduction for probable savings.**

796. *Lump provision for regrant of lapses.*—No provision for irrigation and civil works which are expected to be completed in a year is made in the budget estimate of the ensuing year ; but, in order to provide for the contingency of some of these works not being completed or paid for as anticipated, lump-sum provisions for regrant of lapses are entered in the ensuing year's budget estimates under the heads concerned. The amounts entered in the budget estimate for 1941–1942 are as follows :—

| | Head. | Lump provision. |
|---|---|---|
| | | LAKH. |
| 65 | 19. Irrigation (Grant VIII) .. .. .. .. .. .. .. | ·01 |
| 379 | 50. Civil Works (Grant XXIV) .. .. .. .. .. .. | ·10 |
| 436 | 68. Construction of irrigation, navigation, embankment and drainage works (Grant XXXII) .. .. .. .. .. .. | ·01 |
| 440 | 81. Capital Account of civil works outside the Revenue Account (Grant XXXIV) .. .. .. .. .. .. .. | ·05 |

All appropriations from these provisions are made with the sanction of the Finance Department.

797. *Lump-sum provision for extensions to electricity schemes.*—The following lump-sum provisions have been made in the budget for 1941–1942 for financing unforeseen remunerative extensions to electric supply undertakings in order that revenue may not be lost for want of funds to execute the extensions as and when the demand comes.

| | | Lump provision. |
|---|---|---|
| | | LAKHS. |
| 441–453 | 81-A. Capital outlay on Electricity schemes (Grant XXXV) .. .. | 14·99 |
| 468 | Loans and advances bearing interest (Grant XXXVIII) .. .. | ·88 |

The former is for unforeseen extensions of transmission lines and other works executed by the Electricity Department for supply of power to intending consumers. Sanctions to expenditure from the lump-sum provision are subject to the conditions that only works costing 2 lakhs or less each should be financed from this provision and that the prior sanction of Government should be obtained for works costing over Rs. 10,000 each, works costing Rs. 10,000 or less being sanctioned by the Chief Engineer for Electricity.

The provision of ·88 lakh under Loans and Advances is for financing remunerative extensions to municipal distribution schemes.

A quarterly list of schemes financed from these lump-sum provisions together with the return anticipated therefrom is submitted to Government.

798. *Provision for flood repairs.*—The budget estimate for 1941–1942 includes a lump-sum provision of 2·96 lakhs for flood repairs. The amount is distributed as follows :—

| Head. | Lump provisions. LAKHS. | Reference to pages in the Detailed Annual Estimate of Expenditure. |
|---|---|---|
| XVII. Irrigation—Working Expenses (Grant VIII) .. .. .. | ·90 | 59 |
| 18. Irrigation—Other revenue expenditure financed from ordinary revenues (Grant VIII)— | | |
| Minor Irrigation .. .. .. .. .. .. .. | ·50 | 62 |
| Public Works Department .. .. .. .. .. | ·56 | 63 |
| 50. Civil Works—Grants-in-aid (Grant XXVI) .. .. .. .. | 1·00 | 388 |
| Total .. | 2·96 | |

Should any amount be required for flood repairs to specific works under these heads, the necessary reappropriation from these lump-sum amounts will be sanctioned by the Finance Department.

799. *Lump deduction for probable savings.*—In order to minimize lapses in budget provisions, lump-sum deductions, specifically exhibited as such, have been made in the estimates for 1941–1942 under the following heads :—

| Head of account. | Lump deductions. LAKHS. | Reference to pages |
|---|---|---|
| A. Expenditure on Revenue Account— | | |
| 18. Irrigation (Grant VIII) .. .. .. .. .. | ·01 | 63 |
| 19. Irrigation (Grant VIII) .. .. .. .. .. | ·01 | 65 |
| 39. Public Health (Grant XVII) .. .. .. .. .. | 2·33 | 281 |
| 43. Industries—Industries (Grant XXI) .. .. .. .. | ·08 | 335, 336 and 344. |
| 47. Miscellaneous Departments (Grant XXIII) .. .. .. | ·58 | 368 |
| 50. Civil Works—Works (Grant XXIV) .. .. .. .. | 1·21 | 378 |
| Do. Grants-in-aid (Grant XXVI) .. .. .. | 17·54 | 388 |
| Total .. | 21·76 | |
| B. Capital outlay— | | |
| 68. Irrigation (Grant XXXII) .. .. .. .. .. .. | ·02 | 436 |
| 81. Capital Account of civil works outside the Revenue Account (Grant XXXIV) .. .. .. .. .. .. | ·69 | 440 |
| 81-A. Capital outlay on electricity schemes (Grant XXXV) .. | 4·28 | 448, 453 |
| Loans and Advances (Grant XXXVIII) .. .. .. .. | 9·28 | 463–466, 468–469 and 471. |
| Total .. | 14·27 | |
| Grand total .. | 36·03 | |

The amounts have been fixed on a consideration of the lapses which have occurred in the past under most of the heads concerned. These lump deductions will not preclude the incurring of expenditure up to the gross amount provided in the budget subject to the condition that, if the net amount provided under the grant as a whole is likely to be exceeded, a supplementary grant is obtained in due course.

## SCHEMES INVOLVING NEW EXPENDITURE IN 1941–1942.

800. **Appendices VI, VII and VIII** to this Memorandum show the financial effect of schemes involving loss of revenue or new expenditure for which allowance has been made in the budget for 1941–1942.

W. SCOTT BROWN,
*Financial Secretary.*

10*th February* 1941.

# PART IV

## APPENDICES

## APPENDIX I.

[*See* paragraph 12.]

### A.—STATEMENT SHOWING THE LOSS OF EXCISE REVENUE IN THE FOUR DISTRICTS IN WHICH PROHIBITION IS NOW IN FORCE.

| | Annual loss of Excise Revenue. |
|---|---|
| | RS. LAKHS. |
| A. On the basis of actual revenue realized in the year before the introduction of prohibition— | |
| Salem .. .. .. .. .. .. | 26·53 |
| Cuddapah .. .. .. .. .. .. | 6·87 |
| Chittoor .. .. .. .. .. .. | 9·00 |
| North Arcot .. .. .. .. .. .. | 21·67 |
| Allowance made for loss of revenue in other districts .. | 2·00 |
| Total .. | 66·07 |

| | Average revenue realized during the three years prior to introduction of prohibition. |
|---|---|
| B. On the basis of average revenue realized during the period of three years prior to the introduction of prohibition— | |
| | RS. LAKHS. |
| Salem .. .. .. .. .. .. | 28·81 |
| Cuddapah .. .. .. .. .. .. | 6·46 |
| Chittoor .. .. .. .. .. .. | 8·50 |
| North Arcot .. .. .. .. .. .. | 20·15 |
| Allowance made for loss of revenue in other districts .. | 2·00 |
| Total .. | 65·92 |

| | Average revenue realized during the five years prior to introduction of prohibition. |
|---|---|
| C. On the basis of average revenue realized during the five years prior to the introduction of prohibition— | |
| | RS. LAKHS. |
| Salem .. .. .. .. .. .. | 28·93 |
| Cuddapah .. .. .. .. .. .. | 6·31 |
| Chittoor .. .. .. .. .. .. | 8·77 |
| North Arcot .. .. .. .. .. | 19·56 |
| Allowance made for the loss of revenue in other districts .. | 2·00 |
| Total .. | 65·57 |

| | RS. LAKHS. |
|---|---|
| Total of A, B and C is .. | 66·07<br>65·92<br>65·57 |
| Grand total .. | 197·56 |
| Average .. | 65·85 |

NOTE.—(1) This figure of loss of revenue does not take into account the revenue realized in prohibition districts by the sale of opium to addicts and under the Prohibition Act which will be small.

(2) In calculating the loss of revenue, the savings due to the abolition of the Excise staff have been taken as set off by the additional expenditure on Police staff for the enforcement of prohibition.

W. SCOTT BROWN,
*Financial Secretary.*

10*th February* 1941.

## APPENDIX I—*cont.*

[*See* paragraphs 13 and 728.]

### B.—STATEMENT SHOWING THE RECEIPTS AND EXPENDITURE UNDER THE NEW TAXES AND THE SURPLUS YIELD AFTER MEETING THE COST OF PROHIBITION.

| | Accounts, 1939–1940. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **(A) Receipts—** | | | |
| 1 The Madras Entertainments Tax Act .. | 8·10 | 12·48 | 12·48 |
| 2 The Madras Electricity Duty Act .. | 5·00 | 6·23 | 6·09 |
| 3 The Madras Tobacco (Taxation of Sales and Licensing) Act. | 13·03 | 22·55 | 22·70 |
| 4 The Madras Sale of Motor Spirit Taxation Act. | 15·76 | 15·99 | 15·99 |
| 5 The Madras General Sales Tax Act .. | 33·97 | 67·25 | 59·00 |
| Total—Receipts .. | 75·86 | 124·50 | 116·26 |
| **(B) Expenditure—** | | | |
| 1 Entertainments Tax including commission payable to local bodies. | ·50 | 1·07 | 1·33 |
| 2 Compensation payable to local bodies .. | .. | 2·78 | 1·67 |
| 3 Charges for collection of Electricity Duty .. | .. | ·05 | ·05 |
| Commercial Taxes— | | | |
| 4 Tobacco and Sales Taxes .. .. | 7·57 | 12·40 | 12·14 |
| 5 Motor Spirit Tax .. .. .. | ·13 | ·06 | .. |
| 6 Charges in England .. .. .. | ·07 | ·09 | ·07 |
| Total—Expenditure .. | 8·27 | 16·45 | 15·26 |
| (C) Net yield [(A) — (B)] .. .. .. | 67·59 | 108·05 | 101·00 |
| (D) Cost of Prohibition .. .. .. | 55·50 | 65·00 | 65·00 |
| Net surplus [(C) — (D)] .. | 12·09 | 43·05 | 36·00 |
| (E) Net total for the years 1939–1940 to 1941–1942 .. .. .. .. .. | | 91·14 | |

10*th February* 1941.

W. SCOTT BROWN,
*Financial Secretary.*

## APPENDIX II.

[*See* paragraph 17.]

### STATEMENT SHOWING THE TRANSACTIONS RELATING TO THE MADRAS FAMINE RELIEF FUND FROM THE YEAR 1937–1938.

| Particulars. | Accounts, 1937–1938. | Accounts, 1938–1939. | Accounts, 1939–1940. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | RS. | RS. | RS. | RS. | RS. |
| | LAKHS. | LAKHS. | LAKHS. | LAKHS. | LAKHS. |
| I. Opening Balance—Cash .. .. | 1·37 | 1·54 | 10·20 | 1·49 | 3·89 |
| II. Receipts— | | | | | |
| A. Famine Relief Fund— | | | | | |
| (*a*) Transfers from the Revenue Account. | ·04 | 10·19 | .. | .. | .. |
| (*b*) Interest receipts .. .. | 2·19 | 2·19 | 1·93 | 2·19 | 2·25 |
| (*c*) Recoveries of Famine Expenditure. | ·11 | ·18 | ·06 | ·30 | ·05 |
| (*d*) Gain on realization of securities. | .. | ·15 | .. | .. | .. |
| B. Investment Account— Sale of Securities .. | .. | 12·11 | .. | .. | .. |
| Total, II. Receipts .. | 2·34 | 24·82 | 1·99 | 2·49 | 2·30 |
| III. Disbursements— | | | | | |
| A. Famine Relief Fund— | | | | | |
| (*a*) Transfers to the Revenue Account— | | | | | |
| (i) For expenditure on relief of serious famine and of distress due to serious famine, floods, etc. | .. | 15·32 | .. | .. | .. |
| (ii) For expenditure under the proviso to section 5 of Act XVI of 1936 on protective irrigation works. | .. | .. | .. | .. | .. |
| (*b*) Loss on realization of securities. | .. | ·03 | .. | .. | .. |
| (*c*) Other payments .. | .. | ·01 | .. | .. | .. |
| B. Investment Account— Purchase of securities .. | 2·17 | ·80 | 10·70 | ·09 | 5·00 |
| Total, III. Disbursements .. | 2·17 | 16·16 | 10·70 | ·09 | 5·00 |
| IV. Net transactions of the year— | | | | | |
| Net receipts ( + ) *or* Net disbursements ( — ) (II — III). | + ·17 | + 8·66 | — 8·71 | + 2·40 | — 2·70 |
| V. Closing Balance—Cash (I + IV) .. | 1·54 | 10·20 | 1·49 | 3·89 | 1·19 |
| VI. Market value of securities held on the last day of the year. | 63·00 | 49·80 | 60·54 | * 60·39 | * 65·39 |
| **VII. Total assets of the Fund including Cash Balance (V + VI).** | 64·54 | 60·00 | 62·03 | 64·28 | 66·58 |
| NOTE.—Securities held in the Fund on the last day of the year— | | | | | |
| (i) Purchase price .. .. | 63·10 | 51·79 | 62·49 | 62·58 | 67·58 |
| (ii) Face value .. .. | 60·43 | 48·88 | 60·09 | 60·17 | 65·37 |

* At the market prices prevailing on the 16th January 1941.

W. SCOTT BROWN,
*Financial Secretary.*

10*th February* 1941.

## APPENDIX III.

[*See* paragraph 18.]

### STATEMENT SHOWING THE TRANSACTIONS RELATING TO THE RESERVE FUNDS OF ELECTRIC SYSTEMS FROM 1937-1938.

| Particulars. | Accounts, 1937–1938. | Accounts, 1938–1939. | Accounts, 1939–1940. | Revised Estimate, 1940–1941. | Budget Estimate, 1941–1942. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **(1) CASH ACCOUNT.** | | | | | |
| *A. Depreciation Reserve Funds—Pykara and Mettur Hydro-Electric Systems.* | | | | | |
| I. Opening Balances—Cash .. .. | .. | 4·09 | 2·58 | 7·73 | 8·11 |
| II. Receipts— | | | | | |
| Contributions from Revenue .. .. | 4·09 | 6·44 | 7·87 | 8·28 | 8·63 |
| III. Disbursements— | | | | | |
| (*a*) Transfer to the Revenue Account for renewals and replacements .. .. | .. | .. | ·14 | ·17 | ·48 |
| (*b*) Investment Account— Purchase of Securities .. .. | .. | 7·95 | 2·58 | 7·73 | 8·11 |
| (*c*) Total, Disbursements .. .. | .. | 7·95 | 2·72 | 7·90 | 8·59 |
| IV. Net transactions of the year— Net Receipts (+) Net Disbursements (—) (II — III) .. .. .. | + 4·09 | — 1·51 | + 5·15 | + ·38 | + ·04 |
| V. Closing Balances—Cash (I + IV) .. .. | 4·09 | 2·58 | 7·73 | 8·11 | 8·15 |
| *B. Special Reserve Funds—Pykara and Mettur Hydro-Electric Systems.* | | | | | |
| I. Opening Balances—Cash .. .. .. | .. | 1·64 | ·75 | 3·04 | 2·89 |
| II. Receipts— | | | | | |
| Contributions from Revenue .. .. | 1·64 | 2·57 | 3·14 | 3·31 | 3·45 |
| III. Disbursements— | | | | | |
| (*a*) Transfer to the Revenue Account for renewals and replacements .. .. | .. | .. | ·10 | ·42 | ·42 |
| (*b*) Investment Account— Purchase of Securities .. .. | .. | 3·46 | ·75 | 3·04 | 2·89 |
| (*c*) Total, Disbursements .. .. | .. | 3·46 | ·85 | 3·46 | 3·31 |
| IV. Net transactions of the year— Net Receipts (+) Net Disbursements (—) (II — III) .. .. .. | + 1·64 | — ·89 | + 2·29 | — ·15 | + ·14 |
| V. Closing Balances—Cash (I + IV) .. | 1·64 | ·75 | 3·04 | 2·89 | 3·03 |
| *C. Depreciation Reserve Funds and Special Reserve Funds—Combined.* | | | | | |
| Total Closing Balances—Cash [*A*V + *B*V]. | **5·73** | **3·33** | **10·77** | **11·00** | **11·18** |
| **(2) INVESTMENT ACCOUNT.** | | | | | |
| Securities held in the Funds as on the last day of the year— | | | | | |
| (1) Purchase price— | | | | | |
| Depreciation Reserve Funds .. .. | .. | 7·95 | 10·53 | 18·26 | 26·37 |
| Special Reserve Funds .. .. | .. | 3·46 | 4·21 | 7·25 | 10·14 |
| Total .. | .. | **11·41** | **14·74** | **25·51** | **36·51** |
| (2) Face value— | | | | | |
| Depreciation Reserve Funds .. .. | .. | 8·01 | 10·64 | 18·79 | 27·32 |
| Special Reserve Funds .. .. | .. | 3·50 | 4·26 | 7·47 | 10·51 |
| Total .. | .. | **11·51** | **14·90** | **26·26** | **37·83** |
| (3) Market value— | | | | | |
| Depreciation Reserve Funds .. .. | .. | 7·98 | 10·38 | * 18·02 | * 26·13 |
| Special Reserve Funds .. .. | .. | 3·48 | 4·16 | * 7·16 | * 10·05 |
| Total .. | .. | **11·46** | **14·54** | ***25·18** | *** 36·18** |

* At the market prices prevailing on the 16th January 1941.

10*th February* 1941.

W. SCOTT BROWN,
*Financial Secretary.*

## APPENDIX IV.

[*See* paragraph 23.]

### STATEMENT SHOWING THE CAPITAL LIABILITIES AND ASSETS OF THE MADRAS GOVERNMENT AS ON THE LAST DAY OF EACH FINANCIAL YEAR FROM 1937–1938.

| Details. | 31st March 1938. | 31st March 1939. | 31st March 1940. | 31st March 1941 (Revised Estimate). | 31st March 1942 (Budget Estimate). |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **Liabilities.** | | | | | |
| A. BEARING INTEREST— | | | | | |
| (i) *Loans*— | | | | | |
| (*a*) Due to the Central Government .. | 7,49·93 | 7,44·32 | 7,38·45 | 7,32·32 | 7,25·91 |
| (*b*) Special irredeemable loans .. .. | 2·52 | 2·52 | 2·52 | 2·52 | 2·52 |
| (*c*) Loans floated from 1937–1938 .. .. | 1,64·03 | 3,14·57 | 4,58·46 | 5,20·38 | 5,12·34 |
| Total—(i) Loans .. | 9,16·48 | 10,61·41 | 11,99·43 | 12,55·22 | 12,40·77 |
| (ii) *Other liabilities*— | | | | | |
| (*a*) State Provident Funds .. .. .. | 3,74·50 | 3,86·74 | 4,06·26 | 4,19·18 | 4,31·13 |
| (*b*) Depreciation reserve funds of commercial undertakings. | 2·57 | 2·76 | 2·90 | 3·06 | 3·20 |
| Total—(ii) Other liabilities .. | 3,77·07 | 3,89·50 | 4,09·16 | 4,22·24 | 4,34·33 |
| TOTAL—A. INTEREST BEARING LIABILITIES .. | 12,93·55 | 14,50·91 | 16,08·59 | 16,77·46 | 16,75·10 |
| B. FREE OF INTEREST— | | | | | |
| (i) Famine Relief Fund .. .. .. | 64·64 | 61·99 | 63·98 | 66·47 | 68·77 |
| (ii) Electricity Reserve Funds .. .. .. | 5·73 | 14·74 | 25·51 | 36·51 | 47·69 |
| (iii) Deposits, Advances and Remittances .. | 5,24·47 | 4,82·64 | 4,48·51 | 4,97·56 | 5,18·18 |
| **C. GRAND TOTAL—LIABILITIES .. .. ..** | 18,88·39 | 20,10·28 | 21,46·59 | 22,78·00 | 23,09·74 |
| **Assets.** | | | | | |
| D. ASSETS PRODUCING REVENUE— | | | | | |
| (i) *Remunerative*— | | | | | |
| (*a*) Productive irrigation works .. .. | 14,77·80 | 14,86·62 | 14,91·38 | 14,95·02 | 14,96·52 |
| (*b*) Electricity Schemes .. .. .. | 3,73·92 | 4,79·23 | 5,48·12 | 6,24·39 | 7,05·76 |
| (*c*) Cinchona Plantations .. .. .. | 21·92 | 19·67 | 19·04 | 25·15 | 16·57 |
| (*d*) Kerala Soap Institute .. .. .. | 2·31 | 2·69 | 2·41 | 2·39 | 2·17 |
| (*e*) Loans advanced (due to Government) .. | 4,54·01 | 5,07·54 | 5,42·86 | 5,39·48 | 5,48·91 |
| (*f*) Shares in Private Industrial concerns. | ·09 | ·18 | ·18 | ·25 | ·25 |
| Total—(i) Remunerative .. | 23,30·05 | 24,95·93 | 26,03·99 | 26,86·68 | 27,70·18 |
| (ii) *Unremunerative*— | | | | | |
| (*a*) Unproductive irrigation works .. .. | 3,77·69 | 3,77·82 | 3,78·52 | 3,79·08 | 3,79·29 |
| (*b*) Navigation works .. .. .. | 87·25 | 87·27 | 87·27 | 87·31 | 87·53 |
| (*c*) Industrial Engineering Workshops .. | 1·44 | 1·32 | 1·16 | 1·20 | 1·23 |
| Total—(ii) Unremunerative .. | 4,66·38 | 4,66·41 | 4,66·95 | 4,67·59 | 4,68·05 |
| TOTAL—D. ASSETS PRODUCING REVENUE .. | 27,96·43 | 29,62·34 | 30,70·94 | 31,54·27 | 32,38·23 |

STATEMENT SHOWING THE CAPITAL LIABILITIES AND ASSETS OF THE MADRAS GOVERNMENT AS ON THE LAST DAY OF EACH FINANCIAL YEAR FROM 1937-1938—*cont.*

| Details. | 31st March 1938. | 31st March 1939. | 31st March 1940. | 31st March 1941 (Revised Estimate). | 31st March 1942 (Budget Estimate). |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. | RS. LAKHS. |
| **Assets**—*cont.* | | | | | |
| E. OTHER ASSETS— | | | | | |
| (*a*) Capital outlay on Civil Works outside the Revenue Account. | 85·70 | 1,00·66 | 1,15·63 | 1,28·54 | 1,44·35 |
| (*b*) Payments of Commuted Value of Pensions. | .. | 10·86 | 2·02 | .. | .. |
| TOTAL—E. OTHER ASSETS .. | **85·70** | **1,11·52** | **1,17·65** | **1,28·54** | **1,44·35** |
| F. Securities in the Famine Relief Fund * .. | 63·10 | 51·79 | 62·49 | 62·58 | 67·58 |
| G. Securities in the Electricity Reserve Funds *. | .. | 11·41 | 14·74 | 25·51 | 36·51 |
| H. Securities in the Cash Balance Investment Account *. | 79·72 | 74·09 | 54·77 | 1,99·77 | 1,54·77 |
| I. Closing Cash Balance .. ... .. .. | 1,36·87 | 76·61 | 1,34·48 | 58·42 | 67·26 |
| **J. GRAND TOTAL—ASSETS** .. .. .. | **31,61·82** | **32,87·76** | **34,55·07** | **36,29·09** | **37,08·70** |
| **K. Excess of Assets over Liabilities** .. .. | **12,73·43** | **12,77·48** | **13,08·48** | **13,51·09** | **13,98·96** |

* Purchase price of securities.

*10th February 1941.*

W. SCOTT BROWN,
*Financial Secretary.*

## APPENDIX V.

[*See* paragraph 24.]

### STATEMENT OF GUARANTEES GIVEN BY THE GOVERNMENT OF MADRAS AND OUTSTANDING ON THE 31ST JANUARY 1941.

| Name of public or other body (or person) for which the guarantee has been given. | Statutory authority, if any, for the giving of the guarantee. | Form and extent of guarantee. | Maximum amount guaranteed. | Rate of interest guaranteed in the case of loans, debentures, etc. | Purpose for which the guarantees were given. | Primary security. | Sums guaranteed outstanding on 31st January 1941. Amount. | Sums guaranteed outstanding on 31st January 1941. Rate of interest. | Liability actually met by Government up to 31st March 1940. | Remarks. |
|---|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| | | | | | | | | PER CENT. | | |
| 1 The Madras Co-operative Central Land Mortgage Bank, Limited, Madras. | The Madras Co-operative Land Mortgage Banks Act X of 1934—Sections 6 (1), 6 (2) and 7. | *Section* 6 (1) *and* (2) *of the Madras Co-operative Land Mortgage Banks Act*, 1934.—Full and unconditional guarantee of the principal of and interest on the debentures issued by the Board of Directors of the Central Land Mortgage Bank on or after 31st July 1934 such debentures being issued for periods not exceeding in any case 25 years from the date of issue. | *Section* 6 (1) *and* (2).—The total aggregate face value of the debentures in circulation exclusive of those redeemed from time to time to the extent of Rs. 250 lakhs. | *Section* 6.—Not exceeding 5 per cent per annum. | To make the debentures negotiable and popular with the investing public and to enable the Government of India to amend the Indian Trusts Act so as to declare the debentures of the Central Land Mortgage Bank as Trustee securities. | The mortgages and other assets transferred by Primary Land Mortgage Banks to the Central Land Mortgage Bank and vesting in the Trustee (vide section 5 of the Madras Co-operative Land Mortgage Banks Act). | Debentures guaranteed under section 6 of the Act—<br>RS.<br>23,91,900<br>90,71,800<br>96,92,200<br>2,11,55,900 | <br><br>4<br>$3\frac{1}{2}$<br>3 | Nil. | |
| | | *Section 7 of the Madras Co-operative Land Mortgage Banks Act*.—Full and unconditional guarantee of the principal of and interest on the debentures issued before 31st July 1934. | *Section* 7.—<br>RS.<br>15,15,400 (*a*)<br>8,93,500 (*b*)<br>24,08,900 | *Section* 7.—<br>5 per cent (*a*).<br>4 per cent (*b*). | | | Debentures guaranteed under section 7 of the Act—<br>RS.<br>5,58,500 | 4 | | |
| | | | | | | Total .. | 2,17,14,400 | | | |
| 2 Court of Wards on behalf of the Vizianagram Estate. | Nil. | *Letter of guarantee.*—Whole or portion of the loan remaining unrecovered. | Rs. 10 lakhs .. .. | One per cent over the Imperial Bank of India advance rate subject to a minimum of 6 per cent. | To raise a loan from Imperial Bank of India to carry on the administration of the Estate. | Whole of the Vizianagram Estate. | RS.<br>5,99,800 | 6 | Nil. | |

*10th February 1941.*

W. SCOTT BROWN,
*Financial Secretary.*

## APPENDIX VI.

[*See* paragraph 800.]

SUMMARY OF THE FINANCIAL EFFECT OF SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942.

| — | Ultimate Revenue. | | Revenue in 1941–1942. | |
|---|---|---|---|---|
| | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) |
| | RS. | RS. | RS. | RS. |
| **A. I. Loss of Revenue.** (For details, *see* Appendix VII.) | | | | |
| XXVII. MEDICAL .. .. .. | 1,100 | .. | 300 | .. |
| **A. II. Additional Revenue.** (For details, *see* Appendix VII.) | | | | |
| XXVI. EDUCATION .. .. .. | 6,000 | 500 | 400 | 400 |
| XXVII. MEDICAL .. .. .. | 1,000 | .. | 800 | .. |
| XXVIII. PUBLIC HEALTH .. .. | 6,500 | 3,100 | 6,200 | 2,500 |
| XXXVI. MISCELLANEOUS DEPARTMENTS .. .. .. .. .. | 400 | .. | 400 | .. |
| **Total ..** | **13,900** | **3,600** | **7,800** | **2,900** |
| **Total—Net additional revenue (+) Loss of revenue (—) .. ..** | **+ 12,800** | **+ 3,600** | **+ 7,500** | **+ 2,900** |

SUMMARY OF THE FINANCIAL EFFECT OF SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

**B. I. Expenditure on Revenue Account.**

(For details, *see* Appendix VIII-A.)

| — | Ultimate cost. | | Cost in 1941-1942. | |
|---|---|---|---|---|
| | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) |
| | RS. | RS. | RS. | RS. |
| Grant IV—Forest .. .. | .. | 40,700 | .. | 10,000 |
| Grant VI—Motor Vehicles Acts .. | .. | 27,200 | .. | 27,200 |
| Grant VIII—Irrigation .. .. | .. | 1,24,300 | .. | 66,500 |
| Grant XI—District Administration and Miscellaneous .. .. .. | 14,700 | 8,400 | 9,200 | 5,300 |
| Grant XII—Administration of Justice .. .. .. .. .. | .. | 2,06,500 | .. | 72,200 |
| Grant XIII—Jails .. .. .. | 8,600 | 100 | 4,500 | 100 |
| Grant XIV—Police .. .. .. | 1,500 | 7,300 | 1,500 | 3,700 |
| Grant XV—Education .. .. | 2,08,300 | 5,23,300 | 1,30,200 | 4,86,500 |
| Grant XVI—Medical .. .. | 1,55,700 | 3,56,500 | 92,200 | 1,07,800 |
| Grant XVII—Public Health .. | 61,200 | 14,52,400 | 43,700 | 2,79,400 |
| Grant XVIII—Agriculture .. | 1,17,000 | 1,00,800 | 1,02,200 | 55,800 |
| Grant XIX—Veterinary .. .. | 19,000 | 5,800 | 9,100 | 3,100 |
| Grant XX—Co-operation .. .. | 2,000 | 17,200 | 2,000 | 11,400 |
| Grant XXI—Industries .. .. | 14,600 | 40,000 | 13,400 | 29,500 |
| Grant XXII—Cinchona and Fisheries. | 9,100 | 8,000 | 5,900 | 8,000 |
| Grant XXIII—Miscellaneous Departments .. .. .. .. .. .. | 34,900 | 1,97,500 | 29,000 | 1,52,400 |
| Grant XXIV—Civil Works—Works. | .. | 10,39,300 | .. | 3,63,600 |
| Grant XXV—Civil Works—Establishment, etc. .. .. .. | 33,800 | 34,500 | 21,000 | — 13,800 |
| Grant XXVI—Civil Works—Grants-in-aid .. .. .. .. .. | .. | 31,02,100 | .. | 14,53,000 |
| Grant XXVII—Electricity .. .. | 11,800 | — 3,72,200 | 7,200 | — 1,82,000 |
| Grant XXX—Stationery and Printing .. .. .. .. .. | 22,800 | 12,000 | 20,200 | 12,000 |
| **Total ..** | **7,15,000** | **69,31,700** | **4,91,300** | **29,51,700** |
| *Deduct*—A. II. Additional Revenue .. | 12,800 | 3,600 | 7,500 | 2,900 |
| **Net Expenditure on Revenue Account on account of schemes of new expenditure .. .. ..** | **7,02,200** | **69,28,100** | **4,83,800** | **29,48,300** |

## SUMMARY OF THE FINANCIAL EFFECT OF SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

### B. II. Capital Expenditure outside the Revenue Account.

(For details, *see* Appendix VIII-B.)

| — | Ultimate cost. | | Cost in 1941–1942. | |
|---|---|---|---|---|
| | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) |
| | | RS. | | RS. |
| GRANT XXXII—CAPITAL OUTLAY ON IRRIGATION .. .. .. .. | .. | 42,200 | .. | 13,700 |
| GRANT XXXIV—CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT .. | .. | 11,81,200 | .. | 1,11,700 |
| GRANT XXXV—CAPITAL OUTLAY ON ELECTRICITY SCHEMES .. .. | .. | 42,13,900 | .. | 4,04,800 |
| **Total ..** | .. | **54,37,300** | .. | **5,30,200** |

### B. III. Loans to Local Bodies, etc.

(For details, *see* Appendix VIII-C.)

| | | | | |
|---|---|---|---|---|
| GRANT XXXVIII—LOANS AND ADVANCES BEARING INTEREST .. .. | .. | 38,21,900 | .. | 13,94,300 |
| **Total ..** | .. | **38,21,900** | .. | **13,94,300** |
| **Grand Total—B. II and III ..** | .. | **92,59,200** | .. | **19,24,500** |

# APPENDIX VII.

[*See* paragraph 800.]

## LOSS OF REVENUE OR ADDITIONAL REVENUE ANTICIPATED FROM SCHEMES INVOLVING LOSS OF REVENUE OR NEW EXPENDITURE FOR WHICH ALLOWANCE HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942.

| Item number. | Description of the scheme. | Ultimate revenue. | | Revenue in 1941–1942. | |
|---|---|---|---|---|---|
| | | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | **(i) Scheme involving loss of revenue.** | | | | |
| | XXVII. MEDICAL. | | | | |
| 1 | Award of free studentships in the Stanley Medical College, Madras, to students who do not belong to backward classes. | 1,100 | .. | 300 | .. |
| | **(ii) Schemes involving additional revenue.** | | | | |
| | XXVI. EDUCATION. | | | | |
| 1 | Opening of Forms IV to VI in the Government Middle School for Girls, Cuddapah. [No. 41 in Appendix VIII.] | 1,100 | .. | .. | .. |
| 2 | Opening of Forms IV to VI in the Government Middle School for Girls, Kurnool. [No. 42 in Appendix VIII.] | 900 | .. | 400 | .. |
| 3 | Employment of additional staff for the Science and History departments of the Ceded Districts College, Anantapur. [No. 53 in Appendix VIII.] | 4,000 | .. | .. | .. |
| 4 | Continuance of physical training class for women, Saidapet. [No. 57 in Appendix VIII.] | .. | 500 | .. | 400 |
| | XXVII. MEDICAL. | | | | |
| 5 | Opening of a " C " class ward in the Headquarters Hospital at Masulipatam. [No. 79 in Appendix VIII.] | 1,000 | .. | 800 | .. |
| | XXVIII. PUBLIC HEALTH. | | | | |
| 6 | Extension of the experimental use of cyanogas fumigation to new areas. [No. 95 in Appendix VIII.] | 3,700 | .. | 3,700 | .. |
| 7 | Measures for eradication of plague in Hosur taluk, Salem district. [No. 96 in Appendix VIII.] | .. | 3,100 | .. | 2,500 |
| 8 | Provision for a course of training in anti-tuberculosis work in the training school for Health visitors. [No. 98 in Appendix VIII.] | 400 | .. | 300 | .. |
| 9 | Contribution from municipal funds on account of the employment of Second-class Health Officers in certain municipalities. [No. 99 in Appendix VIII.] | 2,400 | .. | 2,200 | .. |
| | XXXVI. MISCELLANEOUS DEPARTMENTS. | | | | |
| 10 | Introduction of rattan industry in the Aziznagar Settlement. [No. 138 in Appendix VIII.] | 400 | .. | 400 | .. |
| | **Total ..** | **13,900** | **3,600** | **7,800** | **2,900** |

## APPENDIX VIII.

[*See* paragraph 800.]

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942.

### A. Schemes debitable to Revenue Account.

| Item number. | Description of the scheme. | Ultimate cost. | | Cost in 1941-1942. | |
|---|---|---|---|---|---|
| | | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. | | RS. |
| | GRANT IV—FOREST. | | | | |
| | 10. FOREST. | | | | |
| 1 | Construction of a road from Mannarghat to Attapady. | .. | 40,700 | .. | 10,000 |
| | **Total—Grant IV** .. | .. | **40,700** | .. | **10,000** |
| | GRANT VI—MOTOR VEHICLES ACT. | | | | |
| | 12. CHARGES ON ACCOUNT OF MOTOR VEHICLES ACTS. | | | | |
| 2 | Supply of brake efficiency testing meters to twelve more districts. | .. | * 1,900 | .. | * 1,900 |
| 3 | Supply of traffic signs and posts for the regulation of motor vehicle traffic. | .. | 18,000 | .. | * 18,000 |
| 4 | Provision of ramps and sheds for the inspection of motor vehicles. | .. | * 7,300 | .. | * 7,300 |
| | **Total—Grant VI** .. | .. | **27,200** | .. | **27,200** |
| | GRANT VIII—IRRIGATION. | | | | |
| | XVII. IRRIGATION, ETC., WORKS—WORKING EXPENSES. | | | | |
| 5 | Raising the height of the shutters of the Cauvery and Arasalar regulators in the Cauvery Delta System. | .. | 13,500 | .. | 13,500 |
| | 18. IRRIGATION, ETC. | | | | |
| 6 | Improvements to the Owk tank system in the Kurnool district. | .. | 18,300 | .. | 7,000 |
| 7 | Improvements to the West Coast canals in Malabar district. | .. | 92,500 | .. | 46,000 |
| | **Total—Grant VIII** .. | .. | **1,24,300** | .. | **66,500** |

* The expenditure is recoverable from the receipts under the Madras Motor Vehicles Taxation Act.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | **GRANT XI—DISTRICT ADMINISTRATION AND MISCELLANEOUS.** | | | | |
| | 25. GENERAL ADMINISTRATION. | | | | |
| 8 | Appointment of attenders and an additional clerk in certain Debt Conciliation Boards. | 2,900 | .. | 2,000 | .. |
| 9 | Employment of an additional staff of one upper division and five lower division clerks in the Board's office. | 4,400 | .. | 2,600 | .. |
| 10 | Colonization schemes for compact blocks of land in Tanjore, Kistna and other districts. [See also items 125 and 211.] | .. | 8,400 | .. | 5,300 |
| 11 | Employment of a Special Deputy Collector and staff for Estates Land Act work in the Ramnad district. | 7,400 | .. | 4,600 | .. |
| | **Total—Grant XI** .. | **14,700** | **8,400** | **9,200** | **5,300** |
| | **GRANT XII—ADMINISTRATION OF JUSTICE.** | | | | |
| | 27. ADMINISTRATION OF JUSTICE. | | | | |
| 12 | Appointment of an additional District Munsif to the District Munsif's Court, Rajahmundry, for one year. | .. | 4,300 | .. | 3,000 |
| 13 | Appointment of an additional Sub-Judge in the Subordinate Judge's Court at Tinnevelly for six months. | .. | 3,400 | .. | 3,400 |
| 14 | Creation of a temporary Subordinate Judge's Court at Tellicherry for ten months. | .. | 6,800 | .. | 5,800 |
| 15 | Appointment of two temporary additional Judges to the High Court of Judicature at Madras. | .. | 1,92,000 | .. | 60,000 |
| | **Total—Grant XII** .. | .. | **2,06,500** | .. | **72,200** |
| | **GRANT XIII—JAILS.** | | | | |
| | 28. JAILS AND CONVICT SETTLEMENTS. | | | | |
| 16 | Scheme for a Contributory Provident Fund for the salaried probation officers working under the Madras Presidency Discharged Prisoners' Aid Society. | 600 | .. | 500 | .. |
| 17 | Opening of a masonry class in the Junior Certified School, Bellary. | 600 | 100 | 400 | 100 |
| 18 | Electrification of the Borstal School, Palamcottah, and certain residential quarters. [See also item 147.] | 4,300 | .. | 2,100 | .. |
| 19 | Electrification of the Central Jail, Vizagapatam. [See also item 148.] | 3,100 | .. | 1,500 | .. |
| | **Total—Grant XIII** .. | **8,600** | **100** | **4,500** | **100** |

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XIV. | | | | |
| | 29. POLICE. | | | | |
| 20 | Continuance of two temporary clerks in the Special Branch, Criminal Investigation Department, for two years. | .. | 7,200 | .. | 3,600 |
| 21 | Opening of a police outpost at Thyagarayanagar in Madras City. | 500 | 100 | 500 | 100 |
| 22 | Provision of a library with up-to-date books on criminology, etc., for the Madras City Police. | 500 | .. | 500 | .. |
| 23 | Construction of a common swimming bath for the Police Training School and the Central Recruits' School, Vellore. [See also item 150.] | 500 | .. | 500 | .. |
| | **Total—Grant XIV ..** | **1,500** | **7,300** | **1,500** | **3,700** |
| | GRANT XV—EDUCATION. | | | | |
| | 36. SCIENTIFIC DEPARTMENTS. | | | | |
| 24 | Grant to the Bhandarkar Oriental Research Institute, Poona. | 1,000 | .. | 1,000 | .. |
| | 37. EDUCATION. | | | | |
| 25 | Grants to elementary schools under local bodies and private agencies for the introduction of pre-vocational subjects. | 80,900 | 45,000 | 62,100 | 45,000 |
| 26 | Enhancement of teaching grant for the Cordite Factory School at Aruvankadu. | 700 | .. | 100 | .. |
| 27 | Opening of an elementary school at Pedduru in the Vizagapatam Agency. | 500 | 400 | 300 | 400 |
| 28 | Building and equipment grants to aided elementary schools in the Agency tracts. | .. | 200 | .. | 200 |
| 29 | Employment of additional staff in the office of the Director of Public Instruction. | 2,800 | .. | 1,900 | .. |
| 30 | Opening of secondary grade training classes for Muslims in the Government Muhammadan College, Madras, and the Government Muhammadan Training School for Masters, Guntur. | 6,000 | 800 | 1,100 | 800 |
| 31 | Opening of secondary grade training classes in certain Government Training Schools for Masters. | 13,300 | 1,800 | 1,000 | 1,800 |
| 32 | Subsidies to local bodies for the construction of buildings for elementary schools. | .. | 12,500 | .. | 9,000 |
| 33 | Building and equipment grants to aided elementary schools. | .. | 41,000 | .. | 41,000 |
| 34 | Building grant for the Panchayat School at Veerapandiyapuram, Ramnad district. | .. | 500 | .. | 500 |

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XV—EDUCATION—*cont.* | | | | |
| | 37. EDUCATION—*cont.* | | | | |
| 35 | Opening of standards VI to VIII in the Model school attached to the Government Training School for Masters, Mettur. | 1,500 | 1,200 | 200 | 400 |
| 36 | Employment of drawing masters in the Government Muhammadan Training Schools, Bellary and Arcot, and the Government Training School, Parvatipur. | 1,200 | .. | 600 | .. |
| 37 | Division of the charge of the District Educational Officer, Anantapur and Cuddapah, and the employment of an additional District Educational Officer. | 8,900 | .. | 4,000 | .. |
| 38 | Appointment of a separate District Educational Officer for the Madras district. | 9,300 | .. | 4,400 | .. |
| 39 | Grant of scholarships to Muslim girls in standards VI, VII and VIII of higher elementary schools. | 5,800 | .. | 1,700 | .. |
| 40 | Opening of Form III in the Government Secondary School for Mappillas, Malappuram. | 500 | 100 | 300 | 100 |
| 41 | Opening of Forms IV to VI in the Government Middle School for Girls, Cuddapah. | (*a*) 6,100 | 4,300 | 1,000 | 1,000 |
| 42 | Opening of Forms IV to VI in the Government Middle School for Girls, Kurnool. | (*b*) 6,800 | 4,500 | 1,700 | 1,300 |
| 43 | Additional equipment for the high school attached to the Government Training School for Masters, Malappuram. | .. | 2,300 | .. | 2,300 |
| 44 | Employment of an additional physical training instructress in the Government Secondary and Training School for Women, Coimbatore. | 600 | .. | 300 | .. |
| 45 | Teaching grants to aided Colleges, secondary schools and special schools to be newly admitted to aid and grants to boarding homes for orphans and destitute children. | 34,800 | .. | 34,800 | .. |
| 46 | Grant to the Boy Scouts and Girl Guides Associations. | .. | 10,500 | .. | 10,500 |
| 47 | Grant to the Madras Olympic Association. | .. | 500 | .. | 500 |
| 48 | Stipendiary grants to aided training schools. | 15,100 | .. | 7,700 | .. |
| 49 | Building grants to non-European Colleges, secondary schools and special schools under private management. | .. | 1,32,000 | .. | 1,32,000 |

(*a*) Additional revenue anticipated—See item 1 in Appendix VII.
(*b*) Do. do. See item 2 in Appendix VII.

# SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

## A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. | | Cost in 1941–1942. | |
|---|---|---|---|---|---|
| | | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XV—EDUCATION—*cont.* | | | | |
| | 37. EDUCATION—*cont.* | | | | |
| 50 | Equipment grants to non-European Colleges, secondary schools and special schools under private management. | .. | 79,400 | .. | 79,400 |
| 51 | Subsidies to local bodies for construction of buildings for secondary schools. | .. | 64,200 | .. | 51,100 |
| 52 | Subsidies to local bodies for the equipment of secondary schools. | .. | 11,600 | .. | 11,600 |
| 53 | Employment of additional staff for the Science and History departments of the Ceded Districts College, Anantapur. | * 4,100 | .. | 1,900 | .. |
| 54 | Opening of classes in Geography for the B.A. Degree Course in the Queen Mary's College, Madras. | 5,100 | 2,200 | 2,000 | 2,100 |
| 55 | Grant towards the acquisition and improvement of playgrounds for secondary schools. | .. | 31,100 | .. | 18,800 |
| 56 | Grant of scholarships to girl pupils belonging to hill tribes in Standards IV and V of recognized elementary schools in the Nilgiris district. | 700 | .. | 700 | .. |
| 57 | Continuance of physical training class for women, Saidapet. | .. | † 5,200 | .. | 4,700 |
| 58 | Conduct of refresher classes for physical training instructors in secondary and training schools. | .. | 3,900 | .. | 3,900 |
| 59 | Purchase of a new oil engine for the Power-house attached to the College of Engineering, Guindy. | .. | 45,000 | .. | 45,000 |
| 60 | Purchase of laboratory equipment for the College of Engineering, Guindy. | .. | 11,600 | .. | 11,600 |
| 61 | Installation of machines in the Engineering College, Guindy, for testing of stones used as a road metal. | 2,600 | ‡ 11,500 | 1,400 | 11,500 |
| | **Total—Grant XV ..** | **2,08,300** | **5,23,300** | **1,30,200** | **4,86,500** |

* Additional revenue anticipated—See item 3 in Appendix VII.

† An additional revenue of Rs. 500 (ultimate) and Rs. 400 (in 1941–1942) is expected to be realized by way of fees from students coming from outside the Presidency which will be credited as receipts under "XXVI. Education"—See item 4 in Appendix VII.

‡ A testing fee of Rs. 10 per specimen is proposed to be recovered from local bodies and the receipts are expected to cover the recurring and capital expenditure.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941–1942. Recurring. | Cost in 1941–1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XVI—MEDICAL. | | | | |
| | 38. MEDICAL. | | | | |
| 62 | Purchase of furniture and equipment for the two new blocks of buildings in the female enclosure of the Government Mental Hospital, Madras. | .. | 6,000 | .. | 6,000 |
| 63 | Employment of additional Nursing staff in the Stanley Hospital, Rayapuram. | 14,900 | 4,100 | 12,700 | 4,100 |
| 64 | X-Ray equipment and purchase of Radium for the Headquarters Hospital, Madura. | .. | 18,400 | .. | 18,400 |
| 65 | Employment of additional staff in the Headquarters Hospital at Madura. | 23,100 | .. | 15,300 | ... |
| 66 | Employment of a Lay Secretary and Treasurer in the King George Hospital, Vizagapatam. | 2,200 | .. | 1,700 | .. |
| 67 | Employment of additional staff in the Government Ophthalmic Hospital, Madras. | 5,400 | 900 | 3,800 | 900 |
| 68 | Employment of a Directress of Nursing. | 11,400 | .. | 8,900 | .. |
| 69 | Purchase of a thresh disinfector for the King George Hospital, Vizagapatam. | 400 | 5,000 | 400 | 5,000 |
| 70 | Increase in bed-strength and employment of additional staff in the Headquarters Hospital at Cocanada. | 10,400 | 1,200 | 7,500 | 1,200 |
| 71 | Payment of grant to Dr. R. G. Cochrane, for Tuberculosis survey and investigation work at Saidapet. | ... | 2,000 | .. | 2,000 |
| 72 | Construction of a ward of six beds in the Government Victoria Caste and Gosha Hospital, Madras, for criminal patients and employment of additional staff. | 400 | 700 | 100 | 700 |
| 73 | Purchase of an additional ambulance car for the Government General Hospital, Madras. | 2,400 | 4,500 | 1,700 | 4,500 |
| 74 | Improvement of the Headquarters Hospital at Ootacamund and employment of additional staff. [See also item 161.] | 11,200 | 8,300 | ... | .. |
| 75 | Employment of additional staff in the Headquarters Hospital, Nellore. | 1,400 | 200 | 1,000 | 200 |
| 76 | Increase in bed-strength and employment of additional staff in Government Hospitals at Anantapur, Dharapuram and Dindigul. | 7,600 | 2,700 | 5,600 | 2,700 |
| 77 | Construction of a Tuberculosis ward in the Headquarters Hospital at Cuddalore, South Arcot district. | 2,700 | 700 | 1,300 | 700 |

# SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

## A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. | | Cost in 1941–1942. | |
|---|---|---|---|---|---|
| | | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XVI—MEDICAL—*cont.* | | | | |
| | 38. MEDICAL—*cont.* | | | | |
| 78 | Construction of temporary sheds and employment of additional staff in the Headquarters Hospital at Ellore, West Godavari district. | 3,000 | 1,600 | 2,200 | 1,600 |
| 79 | Construction of an additional ward of six beds and opening a 'C' class ward in the Headquarters Hospital at Masulipatam. | * 1,400 | 400 | 1,000 | 400 |
| 80 | Construction of a maternity ward in the Government Hospital, Puttur, South Kanara district. | 900 | 300 | 100 | 300 |
| 81 | Construction of an additional ward and employment of additional staff in the Government Hospital at Manantoddy, Malabar district. | 7,500 | 1,800 | 5,900 | 1,80 |
| 82 | Construction of a children's ward and employment of additional staff in the Government Hospital at Tellicherry, Malabar district. | 2,700 | 600 | 400 | 600 |
| 83 | Construction of a temporary shed and employment of additional staff in the Government Hospital, Cannanore. | 2,800 | 1,700 | 400 | 1,700 |
| 84 | Employment of additional staff nurses and nurse pupils in the Headquarters Hospital at Mangalore. | 4,300 | 1,000 | 3,500 | 1,000 |
| 85 | Increase in bed-strength and employment of additional staff in Headquarters Hospital at Ramnad. | 800 | 600 | 600 | 600 |
| 86 | Purchase of steel bed-side lockers for Government hospitals. | .. | 2,27,200 | .. | 20,000 |
| 87 | Grant to the East Godavari Agency District Board for the employment of midwives in the Local Fund dispensaries at Rampa Chodavaram and Addatigala. | 700 | .. | 600 | .. |
| 88 | Employment of ward sisters in certain Government hospitals. | 11,200 | 1,400 | 8,000 | 1,400 |
| 89 | Grants for the construction of (1) a latrine in the Local Fund Hospital at Razam (Vizagapatam district) and (2) a building for the Municipal Dispensary at Rajahmundry. | .. | 2,100 | .. | 2,100<br>(*a*) —500 |
| 90 | Payment of subsidies for the opening of new rural dispensaries and for employment of midwives in existing rural dispensaries. | 11,800 | 400 | 8,900 | 400 |
| 91 | Conversion of the Government Dispensary, Cherla, Nugur taluk, East Godavari Agency, into a hospital with four beds. [See also item 162.] | 200 | .. | 100 | .. |

(*a*) Probable savings.

* Additional revenue anticipated—*See* item 5 in Appendix VII.

# SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

## A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941–1942. Recurring. | Cost in 1941–1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | GRANT XVI—MEDICAL—*cont.* | RS. | RS. | RS. | RS. |
| | 38. MEDICAL—*cont.* | | | | |
| 92 | Grants to District Tuberculosis Associations for centage charges for the construction of Tuberculosis clinics by the Public Works Department. [See also item 170-A.] | .. | 55,000 | .. | 55,000<br>(*a*)— 25,000 |
| 93 | Construction of new buildings for the Headquarters Hospital at Calicut, Malabar district, and employment of additional staff. [See also item 190.] | 13,900 | 7,700 | .. | .. |
| 94 | Installation of an additional water softening plant for the laundry in the Government General Hospital, Madras. | 1,000 | .. | 500 | .. |
| | **Total—Grant XVI ..** | **1,55,700** | **3,56,500** | **92,200** | **1,07,800** |
| | GRANT XVII—PUBLIC HEALTH. | | | | |
| | 39. PUBLIC HEALTH. | | | | |
| 95 | Extension of the experimental use of cyanogas fumigation to new areas. | * 7,300 | .. | 7,300 | .. |
| 96 | Measures for eradication of plague in Hosur, Salem district. | (*b*) .. | 11,700 | .. | 9,700 |
| 97 | Continuance of Poonamallee Health Unit Scheme. | 7,500 | 3,000 | 6,600 | 3,000 |
| 98 | Provision for a course of training in anti-tuberculosis work in the Training school for Health visitors. | (*c*) 4,900 | 600 | 3,200 | 600 |
| 99 | Employment of second-class health officers in certain municipalities. | (*d*) 9,500 | .. | 3,800 | .. |
| 100 | Bifurcation of Yellavaram Public Health Range in East Godavari Agency and employment of additional staff. | 2,000 | 200 | 1,400 | 200 |
| 101 | Scheme for the setting of a laboratory in the King Institute, Guindy, for the standardization of Tetanus Anti-Toxin and production of Tetanus Toxoid, etc. [See also item 163.] | 5,500 | 9,500 | 1,800 | 9,500 |
| 102 | Manufacture and supply of sterile solutions required for injections in Government hospitals. | 20,200 | .. | 16,100 | .. |
| 103 | Air conditioning of one of the rooms in the King Institute, Guindy, for research work. | 400 | 5,600 | 300 | 5,600 |
| 104 | Employment of an Algologist and Algæ Collector at the King Institute, Guindy. | 3,900 | .. | 3,200 | .. |

(*a*) Probable savings.

* A sum of Rs. 3,700 (ultimate) and Rs. 3,700 (in 1941–1942) will be recovered by way of contributions which will be credited as receipts under " XXVIII—Public Health "—*See* item 6 in Appendix VII.

(*b*) A sum of Rs. 3,100 (ultimate) and Rs. 2,500 (in 1941–1942) will be recovered by way of contributions which will be credited as receipts under " XXVIII—Public Health "—*See* item 7 in Appendix VII.

(*c*) A sum of Rs. 400 (ultimate) and Rs. 300 (in 1941–1942) will be recovered on account of house-rent which will be credited as receipts under " XXVIII—Public Health "—*See* item 8 in Appendix VII.

(*d*) An additional revenue of Rs. 2,400 (ultimate) and Rs. 2,200 (1941–1942) is expected by way of contributions from municipal funds which will be credited as receipts under " XXVIII—Public Health "—*See* item 9 in Appendix VII.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XVII—PUBLIC HEALTH—*cont.* | | | | |
| | GRANTS AND CONTRIBUTIONS. | | | | |
| 105 | Grant to the Corporation of Madras for improvement to the City water-supply distribution system. | .. | 2,93,000 | .. | 60,000 (*a*) — 15,000 |
| 106 | Grants to Tuticorin, Cocanada, Coimbatore and Vellore Municipal Councils for water-supply and drainage schemes. | .. | 1,13,200 | .. | 1,13,200 (*a*) — 37,800 |
| 107 | Grants to Madura Municipal Council for water-supply and drainage scheme. | .. | 10,15,600 | .. | 1,95,600 (*a*) — 65,200 |
| | **Total—Grant XVII** .. | **61,200** | **14,52,400** | **43,700** | **2,79,400** |
| | GRANT XVIII—AGRICULTURE. | | | | |
| | 40. AGRICULTURE. | | | | |
| 108 | Payment of increased grant to the United Planters' Association of Southern India for scientific work connected with the planting industry. | (*b*) 4,500 | .. | 4,500 | .. |
| 109 | Reorganization of the Agricultural department. | 17,000 | 10,900 | 6,000 | 10,900 |
| 110 | Centralization of work on fruits and creation of a post of Fruit Specialist in the Madras Agricultural Service, etc. | 8,100 | 1,000 | 4,300 | 1,000 |
| 111 | Increased allotment for seed distribution by the Agricultural department. | (*c*) 85,000 | .. | 85,000 | .. |
| 112 | Institution of a refresher course for agricultural demonstrators. | 2,400 | .. | 2,400 | .. |
| 113 | Continuance of work on dry farming research on red soils at Anantapur. | ... | 45,000 | .. | 27,400 |
| 114 | 'Model Projects' in Bellary and Coimbatore districts for demonstrating improved methods of cultivation of cotton. | .. | 8,600 | .. | 2,700 |
| 115 | Grant to the Agri-Horticultural Society, Madras, towards the cost of repairs to compound wall. | .. | 200 | .. | 200 |
| 116 | Scheme of experiments to determine the relative value of different fodders for milking cattle. | .. | 1,800 | .. | 1,800 |
| 117 | Scheme of research for the investigation of Blast and Foot-rot diseases of rice in India. | .. | 13,300 | .. | 4,200 |
| 118 | Scheme for investigation of 'Pollu' and other diseases of pepper. | .. | 20,000 | .. | 7,600 |
| | **Total—Grant XVIII** .. | **1,17,000** | **1,00,800** | **1,02,200** | **55,800** |

(*a*) Probable savings.

(*b*) The increased grant is to be paid for the next three years.

(*c*) The expenditure should normally be balanced by receipts from the sale of seeds.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941–1942. Recurring. | Cost in 1941–1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XIX—VETERINARY. | | | | |
| | 41. VETERINARY. | | | | |
| 119 | Opening of a model dairy farm at the military grass farm, Teynampet. [See also item 165.] | 6,600 | 2,700 | .. | .. |
| 120 | Opening of a poultry farm at the military grass farm, Teynampet. | 1,700 | 1,200 | 1,600 | 1,200 |
| 121 | Appointment of four touring Veterinary Assistant Surgeons. | 6,800 | 1,400 | 4,700 | 1,400 |
| 122 | Employment of compounders in certain Veterinary institutions in order to enable the Veterinary Assistant Surgeons in charge to be put on touring work. | 3,000 | 500 | 2,400 | 500 |
| 123 | Conversion of the non-gazetted post of Personal Assistant to the Director of Veterinary Services into a gazetted post and increase of pay of the post. | 900 | .. | 400 | .. |
| | **Total—Grant XIX ..** | **19,000** | **5,800** | **9,100** | **3,100** |
| | GRANT XX—CO-OPERATION. | | | | |
| | 42. CO-OPERATION. | | | | |
| 124 | Subsidy to the Co-operative Egg Production and Marketing Society, Krishnagiri. | 2,000 | .. | 2,000 | .. |
| 125 | Colonization schemes for compact blocks of land in Tanjore, Kistna and other districts. [See also items 10 and 211.] | .. | 17,200 | .. | 11,400 |
| | **Total—Grant XX ..** | **2,000** | **17,200** | **2,000** | **11,400** |
| | GRANT XXI—INDUSTRIES. | | | | |
| | 43. INDUSTRIES—INDUSTRIES. | | | | |
| 126 | Grants-in-aid to Industrial Schools. | 3,000 | 29,600 | 3,000 | 23,100<br>(*a*)— 3,200 |
| 127 | Purchase of two motors and a high-tension transformer for the Government Industrial School, Madura. | (*b*) .. | 5,000 | .. | 5,000 |
| 128 | Constitution of a peripatetic flaying and tanning demonstration party. | 3,700 | 200 | 2,700 | 200 |
| 129 | Appointment of a Special Officer to survey cottage industries in the Ceded districts. | .. | 4,800 | .. | 4,000 |
| 130 | Constitution of two demonstration parties to conduct demonstration in the manufacture of hand-made paper and carry on experimental work. | 3,900 | 400 | 3,700 | 400 |
| 131 | Supply of Japanese foot-reeling machines with a re-reeling attachment to silk reelers free of cost. | 4,000 | .. | 4,000 | .. |
| | **Total—Grant XXI ..** | **14,600** | **40,000** | **13,400** | **29,500** |

(*a*) Probable savings.

(*b*) A saving of Rs. 500 is expected in working expenses after the purchase is effected.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. | | Cost in 1941-1942. | |
|---|---|---|---|---|---|
| | | Recurring. | Non-recurring. | Recurring. | Non-recurring. |
| (1) | (2) | (3) | (4) | (5) | 6) |
| | | RS. | RS. | RS. | RS. |
| | **GRANT XXII—CINCHONA AND FISHERIES.** | | | | |
| | 43. INDUSTRIES—CINCHONA PLANTATIONS. | | | | |
| 132 | Conversion of the non-gazetted post of Manufacturing Chemist in Cinchona department into a gazetted one. | 800 | .. | .. | .. |
| | 43. INDUSTRIES—FISHERIES. | | | | |
| 133 | Establishment of a Fisheries Technological Institute at Tuticorin. | 4,400 | 7,900 | 2,700 | 7,900 |
| 134 | Popularization of Gourami fish in rural areas. | 3,000 | .. | 2,700 | .. |
| 135 | Taking over of the management of the Elementary School at Yerumal in the South Kanara district. | 900 | 100 | 500 | 100 |
| | **Total—Grant XXII** .. | 9,100 | 8,000 | 5,900 | 8,000 |
| | **GRANT XXIII—MISCELLANEOUS DEPARTMENTS.** | | | | |
| | 47. MISCELLANEOUS DEPARTMENTS. | | | | |
| 136 | Appointment of a clerk and provision of wells, etc., in connection with the Yenadi reclamation work. | 1,600 | 800 | 1,400 | 800 |
| 137 | Appointment of additional teachers for Kallar reclamation schools, etc., in the Madura district. | 7,400 | 4,100 | 6,400 | 4,100 |
| 138 | Introduction of rattan industry in the Aziznagar Settlement. | * 400 | 100 | 400 | 100 |
| 139 | Extension of the activities of the Labour department for the amelioration of the condition of communities eligible for help. [See also item 210.] | 2,500 | 1,90,500 | 1,900 | 1,90,500 (*a*) — 45,100 |
| 140 | Payment of boarding grants to certain hostels maintained by the Harijan Sevak Sang, Andhra Provincial Board, Madras. | 2,800 | .. | 2,800 | .. |
| 141 | Boarding grants to certain hostels run by the Tamil Nad Harijan Sevak Sang, Trichinopoly. | 4,200 | .. | 4,200 | .. |
| 142 | Appointment of two additional Assistant Inspectors of Factories and staff. | 14,900 | 700 | 11,100 | 700 |
| 143 | Increase in the number of Labour department scholarships for midwifery training. | 1,100 | .. | 800 | .. |
| 144 | Amelioration of Irulars in the Coimbatore district. | .. | 1,300 | .. | 1,300 |
| | **Total—Grant XXIII** .. | 34,900 | 1,97,500 | 29,000 | 1,52,400 |

(*a*) Probable Savings.

* Additional revenue anticipated—See item 10 in Appendix VII.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. | | RS. |
| | GRANT XXIV—CIVIL WORKS—WORKS. | | | | |
| | 50. CIVIL WORKS—BUILDINGS—GENERAL ADMINISTRATION. | | | | |
| 145 | Reconstruction of the tenements in the left wing of the Indian Infantry Lines, Perambur. | .. | 2,09,000 | .. | 50,000<br>(*a*) — 5,000 |
| | **Total—General Administration ..** | .. | **2,09,000** | .. | **45,000** |
| | 50. CIVIL WORKS—BUILDINGS—JAILS AND CONVICT SETTLEMENTS. | | | | |
| 146 | Construction of a dining hall with an overhead tank and reconstruction of the kitchen, etc., in the Senior Certified School, Chingleput. | .. | 18,000 | .. | 5,000<br>(*a*) — 500 |
| 147 | Electrification of the Borstal School, Palamcottah and certain residential quarters. [See also item 18.] | .. | 18,400 | .. | 18,400<br>(*a*) — 1,800 |
| 148 | Electrification of the Central Jail, Vizagapatam. [See also item 19.] | .. | 13,400 | .. | 13,400<br>(*a*) — 1,300 |
| | **Total—Jails, etc. ..** | .. | **49,800** | .. | **33,200** |
| | 50. CIVIL WORKS—BUILDINGS—POLICE. | | | | |
| 149 | Demolition and reconstruction of the Sub-Inspectors' mess in the Police Training School at Vellore. | .. | 11,200 | .. | 11,200<br>(*a*) — 1,100 |
| 150 | Construction of a common swimming bath for the Police Training School and the Central Recruits' School, Vellore. [See also item 23.] | .. | 12,000 | .. | 12,000<br>(*a*) — 1,200 |
| | **Total—Police ..** | .. | **23,200** | .. | **20,900** |
| | 50. CIVIL WORKS—BUILDINGS—EDUCATION. | | | | |
| 151 | Construction of an additional block for the Municipal High School, Ootacamund. | .. | 26,700 | .. | 10,000<br>(*a*) — 1,000 |
| | **Total—Education ..** | .. | **26,700** | .. | **9,000** |
| | 50. CIVIL WORKS—BUILDINGS—MEDICAL. | | | | |
| 152 | Construction of an upper floor over the refractory ward on the men's side of the Government Mental Hospital, Madras. | .. | 56,000 | .. | 30,000<br>(*a*) — 3,000 |
| 153 | Construction of sixteen additional single cells for men patients in the Government Mental Hospital, Waltair. | .. | 28,600 | .. | 16,000<br>(*a*) — 1,600 |
| 154 | Construction of additional buildings in the Government Mental Hospital, Calicut. | .. | 13,200 | .. | 13,200<br>(*a*) — 1,300 |

(*a*) Probable savings.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. | | RS. |
| | GRANT XXIV—CIVIL WORKS—WORKS—*cont.* | | | | |
| | 50. CIVIL WORKS—BUILDINGS—MEDICAL—*cont.* | | | | |
| 155 | Construction of nurses' quarters in the Government Victoria Caste and Gosha Hospital, Madras. | .. | 1,40,000 | .. | 10,000<br>(*a*) — 1,000 |
| 156 | Construction of additional quarters for the nursing staff of the Government Mental Hospital, Madras. | .. | 13,000 | .. | 5,000<br>(*a*) — 500 |
| 157 | Construction of additional hospital and residential buildings at the Tuberculosis Sanatorium, Tambaram. | .. | 2,00,600 | .. | 60,000<br>(*a*) — 6,000 |
| 158 | Extensions and improvements to the kitchens in the Government Mental Hospital, Madras. | .. | 39,000 | .. | 30,000<br>(*a*) — 3,000 |
| 159 | Construction of new quarters for the nursing staff of the Government Ophthalmic Hospital, Madras. | .. | 34,000 | .. | 4,000 |
| 160 | Construction of additional staff quarters in the Lady Willingdon Leprosy Sanatorium, Tirumani. | .. | 12,400 | .. | 8,000<br>(*a*) — 800 |
| 161 | Improvement of the Headquarters Hospital at Ootacamund and employment of additional staff. [See also item 74.] | .. | 76,800 | .. | 25,000<br>(*a*) — 2,500 |
| 162 | Conversion of the Government Dispensary, Cherla, Nugur taluk, East Godavari Agency, into a hospital with four beds. [See also item 91.] | .. | 6,700 | .. | 6,700 |
| | **Total—Medical** .. | .. | **6,20,300** | .. | **1,88,200** |
| | 50. CIVIL WORKS—BUILDINGS—PUBLIC HEALTH. | | | | |
| 163 | Scheme for the setting of a laboratory in the King Institute, Guindy, for the standardization of Tetanus Anti-Toxin and production of Tetanus Toxoid, etc. [See also item 101.] | .. | 5,000 | .. | 5,000 |
| | **Total—Public Health** .. | .. | **5,000** | .. | **5,000** |
| | 50. CIVIL WORKS—BUILDINGS—VETERINARY. | | | | |
| 164 | Construction of buildings for the Veterinary Dispensary, Tiruvarur. | .. | 12,200 | .. | 12,200 |
| 165 | Opening of a model dairy farm at the military grass farm, Teynampet. [See also item 119.] | .. | 93,100 | | 53,100<br>(*a*) — 3,000 |
| | **Total—Veterinary** .. | .. | **1,05,300** | .. | **62,300** |
| | **Total—Grant XXIV** .. | .. | **10,39,300** | .. | **3,63,600** |

(*a*) Probable savings.

SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

**A. Schemes debitable to Revenue Account—*cont.***

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941–1942. Recurring. | Cost in 1941–1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XXV—CIVIL WORKS—ESTABLISHMENT AND TOOLS AND PLANT. | | | | |
| | 50. CIVIL WORKS—ESTABLISHMENTS. | | | | |
| 166 | Employment of one Supervisor and one peon for the investigation of drains in the Kistna Western Delta. | .. | 1,000 | .. | 1,000 |
| 167 | Employment of Special Public Works Department Staff for Tank Restoration Scheme work in the Ceded districts. | .. | 82,600 | .. | 12,500 |
| 168 | Employment of temporary staff for the remodelling of channels in the Kistna Western Delta. | .. | 5,900 | .. | 2,700 |
| 169 | Starting pay of temporary Public Works Department Supervisors on confirmation. | 29,900 | .. | 18,600 | .. |
| 170 | Employment of additional staff for the Electrical Engineer (General) in the Electricity department. | 3,900 | .. | 2,400 | .. |
| 170A | Recovery of centage charges for the construction of Tuberculosis clinics by the Public Works Department on behalf of District Tuberculosis Associations. [See also item 92.] | .. | — 55,000 | .. | — 30,000 |
| | **Total—Grant XXV** .. | **33,800** | **34,500** | **21,000** | **— 13,800** |
| | GRANT XXVI—GRANTS-IN-AID. | | | | |
| | 50. CIVIL WORKS—GRANTS-IN-AID. | | | | |
| 171 | Grant to the Guntur and Cocanada Municipal Councils and Sivaganga Panchayat Board for water-supply schemes. | .. | 10,87,900 | .. | 1,01,700<br>(*a*) — 25,400 |
| 172 | Grants for Cochin Water-supply Schemes. | .. | 1,25,000 | .. | 1,17,000<br>(*a*) — 39,000 |
| 173 | Grant for the Kumbakonam Municipal Water-supply Scheme first stage for the construction of infiltration gallery and conducting yield tests. | .. | 4,77,000 | .. | 33,500<br>(*a*) — 8,400 |
| 174 | Grant for the Arantangi Water-supply Scheme. | .. | 69,000 | .. | 51,800<br>(*a*) — 17,300 |
| 175 | Grants to Saidapet and Kodaikanal Municipal Councils for water-supply schemes. | .. | 12,200 | .. | 12,200<br>(*a*) — 4,100 |
| 176 | Non-recurring grants to local bodies for roads and bridges (other than village communications) for Capital Works. | .. | 95,000 | .. | 87,000<br>(*a*) — 22,000 |
| | Non-recurring grants to local bodies for repairs to trunk and important marketing roads. | .. | 1,00,000 | .. | 1,00,000 |

(*a*) Probable savings.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

### A. Schemes debitable to Revenue Account—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941–1942. Recurring. | Cost in 1941–1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | RS. | RS. | RS. | RS. |
| | GRANT XXVI—GRANTS-IN-AID—*cont.* | | | | |
| | 50. CIVIL WORKS—GRANTS-IN-AID—*cont.* | | | | |
| 177 | Grants to local bodies for strengthening weak bridges and culverts on trunk roads. | .. | 2,00,000 | .. | 2,00,000 (*a*) — 50,000 |
| 178 | Grants to local bodies for improved surfacing of roads. | .. | 7,36,000 * | .. | 7,36,000 |
| 179 | Grants to local boards for the improvement of village communications. | .. | 2,00,000 | .. | 2,00,000 (*a*) — 20,000 |
| | **Total—Grant XXVI ..** | .. | **31,02,100** | .. | **14,53,000** |
| | GRANT XXVII—ELECTRICITY. | | | | |
| | XLI. RECEIPTS FROM ELECTRICITY SCHEMES—WORKING EXPENSES. | | | | |
| 180 | Employment of additional staff for the Mettur Hydro-Electric System. | 8,500 | .. | 5,100 | .. |
| 181 | Employment of a spare operator, Supervisor (Electrical), II grade, at each of the Madura, Erode and Trichinopoly sub-stations of the Electricity department. | 3,300 | .. | 2,100 | .. |
| 182 | Scheme for supply of electricity in the West Godavari district. [See also item 192.] | .. | — 3,72,200 | .. | — 1,82,000 |
| | **Total—Grant XXVII ..** | **11,800** | **— 3,72,200** | **7,200** | **— 1,82,000** |
| | GRANT XXX—STATIONERY AND PRINTING. | | | | |
| | 56. STATIONERY AND PRINTING. | | | | |
| 183 | Printing of posters for Agricultural publicity work. | 15,000 | .. | 15,000 | .. |
| 184 | Provision of additional racks for the Forms Despatch section in the Government Press, Madras. | .. | 12,000 | .. | 12,000 |
| 185 | Reorganization of the Forms Control and Forms Despatch section of the Government Press. | 7,800 | .. | 5,200 | .. |
| | **Total—Grant XXX ..** | **22,800** | **12,000** | **20,200** | **12,000** |
| | **Grand Total—A. Schemes debitable to Revenue Account.** | **7,15,000** | **69,31,700** | **4,91,300** | **29,51,700** |

(*a*) Probable savings.

* Part of the cost included in the note on item 176 above.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941–1942—*cont.*

### B. Schemes debitable to Capital Expenditure outside the Revenue Account.

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941–1942 Recurring. | Cost in 1941–1942 Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. | | RS. |
| | **GRANT XXXII—CAPITAL OUTLAY ON IRRIGATION.** | | | | |
| | 68. CONSTRUCTION OF IRRIGATION, NAVIGATION, EMBANKMENT AND DRAINAGE WORKS. | | | | |
| 186 | Scheme for providing irrigation facilities to Bandar Fort Block, Kistna Eastern Delta. | .. | 16,200 | .. | 6,000 |
| 187 | Excavation of the new Arthamur channel in Bandar taluk, Kistna district. | .. | 13,300 | .. | 3,000 |
| 188 | Excavation of Nidamanur new channel in Bezwada taluk, Kistna district. | .. | 12,700 | .. | 4,700 |
| | **Total—Grant XXXII ..** | .. | 42,200 | .. | 13,700 |
| | **GRANT XXXIV—CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT.** | | | | |
| | 81. CAPITAL ACCOUNT OF CIVIL WORKS OUTSIDE THE REVENUE ACCOUNT—BUILDINGS. | | | | |
| 189 | Construction of quarters for Police subordinate staff. | .. | (*b*) 1,24,500 | .. | 50,000<br>(*a*) — 5,000 |
| 190 | Construction of new buildings for the Headquarters Hospital at Calicut, Malabar district, and employment of additional staff. [See also item 93.] | .. | 10,56,700 | .. | 66,700 |
| | **Total—Grant XXXIV ..** | .. | 11,81,200 | .. | 1,11,700 |
| | **GRANT XXXV—CAPITAL OUTLAY ON ELECTRICITY SCHEMES.** | | | | |
| | 81-A. CAPITAL OUTLAY ON ELECTRICITY SCHEMES. | | | | |
| 191 | Construction of extensions to the Central office of the Superintending Engineer, Mettur Electricity System, at Mettur. | .. | 10,100 | .. | 10,100<br>(*a*) — 1,000 |
| 192 | Scheme for supply of electricity in the West Godavari district. [See also item 182.] | .. | 9,79,800 | .. | 3,86,100<br>(*a*) — 20,400 |
| 193 | Extension of Pykara power to West Coast. | .. | 32,24,000 | .. | 30,000 |
| | **Total—Grant XXXV ..** | .. | 42,13,900 | .. | 4,04,800 |
| | **Total—B. Schemes debitable to Capital Expenditure Outside the Revenue Account.** | .. | 54,37,300 | .. | 5,30,200 |

(*a*) Probable savings.

(*b*) Savings in rent charges after the buildings are constructed, Rs. 4,300 per annum.

## SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

### C. Schemes debitable to Loans to Local Bodies, etc.

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. | | RS. |
| | GRANT XXXVIII—LOANS AND ADVANCES BEARING INTEREST. | | | | |
| | *Loans to the Presidency Corporation of Madras*— | | | | |
| 194 | For the improvements to the City water-supply distribution system. | .. | 2,93,000 | .. | 1,00,000<br>(a) — 25,000 |
| 195 | For the construction of an Industrial Home by the Corporation of Madras. | .. | 35,000 | .. | 35,000<br>(a) — 8,800 |
| 196 | For the construction of a maternity and child-welfare building at Choolai. | .. | 22,500 | .. | 22,500<br>(a) — 2,300 |
| 197 | For the construction of cattle depots for Vyasarpadi and Perambur. | .. | 40,000 | .. | 40,000<br>(a) — 4,000 |
| 198 | For storm-water drainage scheme in the Madras City—IV Series. | .. | 2,00,000 | .. | 2,00,000<br>(a) — 50,000 |
| 199 | For the construction of flush-out latrines. | .. | 50,000 | .. | 50,000<br>(a) — 5,000 |
| | *Loans to District and other Local Fund Committees*— | | | | |
| 200 | Loan to the Tanjore District Board for the Arantangi Water-supply Scheme. | .. | 69,000 | .. | 51,800<br>(a) — 13,000 |
| 201 | Loan to the Avaniyapuram Panchayat Board, Madura district, for Capital expenditure for a water-supply scheme. | .. | 13,200 | .. | 6,000<br>(a) — 600 |
| | *Loans to Municipalities*— | | | | |
| | Loans to mufassal Municipal Councils for Capital expenditure for water-supply and drainage schemes— | | | | |
| 202 | Loans to the Cocanada and Ellore Municipal Councils for the extension of water-main to Collector's bungalow and for electrification of water-works plant, respectively. | .. | 20,100 | .. | 20,100<br>(a) — 5,000 |
| 203 | Loans to Madura Municipal Council for water-supply improvements (third stage) and the extension of sewage farm. | .. | 8,16,000 | .. | 1,41,000<br>(a) — 35,200 |
| 204 | Loans to Guntur and Cocanada Municipal Councils for water-supply schemes. | .. | 13,16,000 | .. | 50,000<br>(a) — 12,500 |
| 205 | Loan to Erode Municipal Council for improvement to the filtration plant. | .. | 50,000 | .. | 50,000<br>(a) — 12,500 |
| | Loan to Karaikudi Municipal Council for water-supply scheme. | .. | 32,700 | .. | 32,700<br>(a) — 8,200 |

(a) Probable savings.

SCHEMES OF NEW EXPENDITURE FOR WHICH PROVISION HAS BEEN MADE IN THE BUDGET ESTIMATES FOR 1941-1942—*cont.*

**C. Schemes debitable to Loans to Local Bodies, etc.**—*cont.*

| Item number. | Description of the scheme. | Ultimate cost. Recurring. | Ultimate cost. Non-recurring. | Cost in 1941-1942. Recurring. | Cost in 1941-1942. Non-recurring. |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | | RS. | RS. | RS. |
| | GRANT XXXVIII—LOANS AND ADVANCES BEARING INTEREST—*cont.* | | | | |
| | *Loans to Municipalities*—cont. | | | | |
| | Loans to Mufassal Municipal Councils for Capital expenditure on schemes for Public Health purposes other than water-supply and drainage— | | | | |
| 206 | Loan to Municipal Council, Coimbatore, for construction of scavengers' quarters. | .. | 95,000 | .. | 95,000<br>— 9,500 |
| 207 | Loans to Coonoor Municipal Council for the conversion of dry-earth latrines into flush-out latrines. | .. | 82,500 | .. | 82,500<br>(*a*) — 8,300 |
| | *Miscellaneous Loans and Advances*— | | | | |
| 208 | Construction of a shed for storing salt in the staff quarters compound, Vadanapalli fish-curing yard. | .. | 300 | .. | 300 |
| 209 | Loans to local bodies for the construction of roads, etc., sanctioned by the Local Administration Department. | .. | 6,54,000 | .. | 6,54,000<br>(*a*) — 65,000 |
| 210 | Extension of activities of the Labour Department for the amelioration of the condition of communities eligible for help. [See also item 139.] | .. | 17,100 | .. | 17,100<br>(*a*) — 4,300 |
| 211 | Colonization schemes for compact blocks of land in Tanjore, Kistna and other districts. [See also items 10 and 125.] | .. | 15,500 | .. | 15,500 |
| | **Total—Grant XXXVIII** .. | .. | **38,21,900** | .. | **16,63,500**<br>(*a*) — 2,69,200<br>**13,94,300** |
| | **Total—C. Schemes debitable to Loans to Local Bodies, etc.** | .. | **38,21,900** | .. | **13,94,300** |
| | **Grand Total—Schemes debitable to Capital and Loans.** | .. | **92,59,200** | .. | **19,24,500** |

(*a*) Probable savings.

10th February 1941.

W. SCOTT BROWN,
*Financial Secretary.*

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